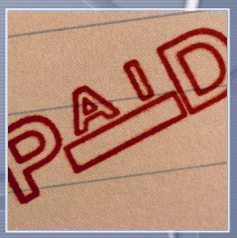

Witzenberg Municipality

Budget 2012/13 - 2014/15

A municipality that cares for its community, creating growth and opportunity

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SECTION B – BUDGET

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1 Glossary

Adjustments Budgets – Prescribed in section 28 of the Municipal Finance Management Act. It is the formal means by which a municipality may revise its budget during a financial year.

Allocations – Money received from Provincial or National Government or other municipalities.

AFS – Annual Financial Statements

Budget – The financial plan of a municipality.

Budget related policy – Policy of a municipality affecting or affected by the budget.

Capital Expenditure – Spending on municipal assets such as land, buildings, distribution networks, treatment plants and vehicles. Any capital expenditure must be reflected as an asset on a municipality's balance sheet.

Cash Flow Statement – A statement showing when actual cash will be received and spent by the Municipality, and the month end balances of cash and short term investments. Cash receipts and payments do not always coincide with budgeted income and expenditure timings. For example, when an invoice is received by the Municipality it is shown as expenditure in the month that the services or goods are received, even though it may not be paid in the same period.

CFO – Chief Financial Officer / Director: Finance

DORA – Division of Revenue Act. An annual piece of legislation which indicates the allocations from National Government to Local Government.

Equitable Share – A general grant paid to municipalities. It is predominantly targeted to assist with free basic services.

Fruitless and wasteful expenditure – Expenditure that was made in vain and would have been avoided had reasonable care been exercised.

GDFI - Gross Domestic Fixed Investment

GFS – Government Finance Statistics. An internationally recognised classification system that facilitates comparisons between municipalities.

GRAP – Generally Recognized Accounting Practice. The new standard for municipal accounting and basis upon which AFS are prepared.

IDP – Integrated Development Plan. The main strategic planning document of a municipality.

KPI's – Key Performance Indicators. Measures of service output and/or outcome.

MFMA – Municipal Finance Management Act (No 53 of 2003). The principle piece of legislation relating to municipal financial management.

MIG – Municipal Infrastructure Grant

Glossary (Cont)

MPRA – Municipal Property Rates Act (No 6 of 2004).

MTREF – Medium Term Revenue and Expenditure Framework as prescribed by the MFMA sets out indicative revenue and projected expenditure for the budget year plus two outer financial years to determine the affordability level. Also includes details of the previous three years and current years' financial position.

NT – National Treasury

Net Assets – Net assets are the residual interest in the assets of the entity after deducting all its liabilities. This means the net assets of the municipality equates to the "net wealth" of the municipality, after all assets were sold/recovered and all liabilities paid. Transactions which do not meet the definition of Revenue or Expenses, such as increases in values of Property, Plant and Equipment where there is no inflow or outflow of resources are accounted for in Net Assets.

Operating Expenditure – Spending on the day to day expenses of a municipality such as general expenses, salaries & wages and repairs & maintenance.

Rates – Local Government tax based on assessed valuation of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.

RBIG – Regional Bulk Infrastructure Grant

R&M – Repairs and maintenance on property, plant and equipment.

SCM – Supply Chain Management.

SDBIP – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.

Strategic Objectives – The main priorities of a municipality as set out in the IDP Budgeted spending must contribute towards achievement of these strategic objectives.

TMA – Total Municipal Account

Unauthorised expenditure – Generally, **s**pending without, or in excess of, an approved budget.

Virement – A transfer of budget.

Virement Policy - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.

Vote – One of the main segments into which a budget is divided, usually at department level.

WM – Witzenberg Municipality

2 Mayors Report

Speaker
Deputy Executive Mayor
Members of the Mayoral Committee
Councillors
Representatives of Provincial Government
Municipal Manager
Directors and officials
Distinguished guests
Members of the media

It is my privilege and honour to present to you the budget for the 2012/2013 financial year, 2013/2014 to 2014/2015 medium term revenue and expenditure framework and the 2012/2017 IDP Integrated Development Plan of Council.

In my evaluering en voorbereiding van hierdie toespraak het onwillekeurig aan die beroemde kwotasie van Charles Darwin gedink toe hy gesê het:

"It is not the strongest of the species who survives, nor the most intelligent, but the one most responsive to change".

Mnr die Speaker, Raadslede ek kan dan nie anders as om Jeremia 29 v11 – 13 aan u voor te hou waar die Vader vir ons sê:

"For I know the plans I have for you……plans to prosper you and not to harm, plans to give you hope and a future".

Ek kan dan nie anders as om alle lof, prys en eer aan ons Hemelse Vader te gee vir die genade wat ons onverdiend elke dag uit Sy hand ontvang. In Witzenberg is ons elke dag bewus van ons kwesbaarheid en blootstelling aan die natuur. Ons grootste inkomste bron is immers uit die Landbou, maar vanweë ons Vader se genade het dit die afgelope paar jaar goedgegaan en soos daar gesê word wanneer dit met die Landbou goed gaan, gaan dit ook met die Munisipaliteit goed. Ons gaan nog steeds gebuk onder die wêreld resessie en is daar verskeie faktore wat op Plaaslike Regering inwerk wat 'n wesenlike impak op ons finansies het soos byvoorbeeld: Eskom se elektrisiteitsverhogings, inflasie, petrol stygings en van die grootste faktore salaris verhogings. Witzenberg wat alom bekend is as 'n arm Munisipaliteit word nie hiervan vrygestel en dit is onder andere hierdie faktore wat ons noop en dwing om anders te dink indien ons wil oorleef.

As the democratically elected Executive Mayor of Witzenberg Municipality, I am honored and proud to submit our new 3rd generation five year Integrated Strategic Plan (IDP-2012-2017). This new five year strategy is a result of consultations and inputs from various stakeholders including ward committees, local communities, local business groups and forums, civil society, Provincial Government and Council.

We have indeed been able to stabilise our municipality over the last four years, both politically and administratively, and can be proud of a number of achievements including;

- We have continued to provide free basic services to our most vulnerable/ indigent communities and effective, efficient municipal services to our main towns and businesses
- We established an exemplary record of efficient and accountable administration with a strong community participation in the decision-making process.
- We have stabilised our municipal finances and the quality of our financial reporting, moving from a qualified audit position to an unqualified audit for last four years.
- We have vastly improved our water and sanitation services to the extent that we consistently rank in the Top Ten Nationally in terms of Blue Drop Status
- We have improved on our municipal performance from a Project Consolidate Municipality to one of the Top Ten Performing Municipalities as recognised by the National Department of Cooperative Governance (COGTA)

As a result of this stabilisation and achievements, our municipality is now set for a new social and economic growth path to deal with the challenges of unemployment, poverty, housing, crime, infrastructure development etc. Our new vision of "Diversity, Growth, and Opportunities" therefore speaks directly to our major strategic thrust over the next five years.

This year's budget is far more detailed and transparent than ever before, in line with National Government views as expressed in various Local Government legislations that more information is better than less.

Generally Recognized Accounting Practice (GRAP), the new standard for municipal accounting and basis upon which AFS are prepared, was introduced in the previous budget and provision was made for "new" expenditure items like depreciation, employee benefits and other provisions. This "new" expenditure items have a negative effect on the available resources in the short term, but the municipality will benefit in the future from this accounting practices if sufficient funds can be generated to cover these provisions.

I believe it can be assumed that the majority of the people in Witzenberg accept the budget and IDP as proposed.

A meeting was held between officials of the municipality and province. The major concerns raised by province are:

OUTSTANDING DEBTORS:

Develop initiatives to reduce average number of days that debt is outstanding to 30 days.

FUTURE CASH FLOW A CONCERN:

The cash flow position of the municipality must be monitored and managed strictly.

POSSIBLE UNDER SPENDING ON THE CAPITAL BUDGET:

Adequate planning of projects well before the start of the financial year is required.

WATER DISTRIBUTION LOSSES:

Put strategies in place to curb water losses.

The expenditure budget

The expenditure budget for the 2012/2013 financial year amounts to R425.6 million.

The budget for the medium term revenue and expenditure framework can be summarized as follows:

Expenditure	2012/2013	2013/20014	2014/2015
Governance and administration	80 964 071	78 140 166	86 048 923
Community and public safety	69 097 925	71 373 002	68 913 556
Economic and environmental services	36 046 991	27 408 513	32 341 862
Electricity	135 438 900	163 251 293	193 325 424
Water	47 907 874	40 640 387	32 400 646
Waste water management	35 346 757	28 021 971	26 863 166
Waste management	20 798 510	22 199 609	24 350 409
Grand Total	425 601 028	431 034 941	464 243 986

The revenue budget

The revenue budget for next year amounts to R345 million.

The revenue budget for medium term revenue and expenditure framework can be summarized as follows:

Revenue	2012/2013	2013/20014	2014/2015
Governance and administration	62 538 066	60 929 969	64 256 337
Community and public safety	84 152 179	78 962 135	80 192 350
Economic and environmental services	19 398 797	10 271 206	8 920 605
Electricity	153 238 036	183 924 169	215 423 092
Water	54 203 086	49 023 205	41 844 852
Waste water management	25 163 723	18 941 657	21 239 132
Waste management	14 921 836	15 434 217	17 255 087
Grand Total	413 615 723	417 486 558	449 131 455

Tariff implications of the annual budget

Electricity:

The revenue from both the non-domestic tariff and the domestic tariff will increase by an average 11.5%, lower than the actual bulk cost increase to Council which is 13.5%.

Water:

The water tariff increase will range from ± 4.3%.

Rates:

Rates for Residential and Business property will increase by ±8%. The new zoning scheme will have a positive impact on rates income as property taxes will now be levied according to the zoning of the property. The rates tariffs for Agricultural/Business/Residential and Agricultural/Industrial have been adjusted downwards, in the previous financial year, by 21.5% and 15.9% respectively as these property owners will be affected the most by the new zonings.

New property valuations will be performed during the forthcoming financial year, with implementation date 1 July 2013.

Sanitation:

The increase of Sanitation Tariffs will be between ± 4 to 5%.

Refuse removal:

The tariff increase for Refuse Removal Tariffs will be ± 4.1%. This increase is necessitated by the weekly removal of Garden refuse.

Sundry Tariffs:

Some of the advertised tariffs of the Pine Forest resort have been reduced due to the condition of some of the facilities.

Mr Speaker I want to conclude in saying that the democratically elected Council is acutely aware that we still have much to do to realise our people's dreams and aspirations of a better life of meaning and respectability.

I am however confident that this new five year IDP and budget will guide us in reaching our goals of improved service delivery and development as well as serving as a performance yardstick against the mandate of Our People. There is a Buddhist saying:

"If we are facing in the right direction, all we have to do is keep on walking". I believe we are indeed at that point.

Recommendation:

I hereby recommend the approval of the budget for the 2012/2013 financial year as well as the 2013/2014 to 2014/2015 medium term revenue and expenditure framework, the budget policies and the integrated development plan for the next five years.

COUNCILLOR S LOUW
EXECUTIVE MAYOR

3 Resolutions

The proposed resolutions by Council for the adoption of the budget are:

[a]. That the annual budget of WITZENBERG Municipality for the financial year 2012/2013; and indicative for the two projected years 2013/14 and 2014/15, as set-out in the schedules contained in Section 4, be approved:

1.1 Table A2: WC048 Budgeted Financial Performance (expenditure by standard classification)

1.2 Table A3: Budgeted Financial Performance (expenditure by municipal vote)

1.3 Table A4: Budgeted Financial Performance (revenue by source)

1.4 Table A5: Budgeted Capital Expenditure for both multi-year and single year by vote, standard classification and funding.

[b]. Property rates reflected in Annexure 1 and any other municipal tax reflected in Annexure 1 are imposed for the budget year 2012/2013.

[c]. Tariffs and charges reflected in Annexure 1 are approved for the budget year 2012/2013.

[d]. The measurable performance objectives for revenue from each source reflected in Table A4 - Budgeted Financial Performance (revenue and expenditure) are approved for the budget year 2012/2013.

[e]. the measurable performance objectives for each vote reflected in SA8 are approved for the budget year 2012/2013.

[f]. that the amended budget related policies be approved with implementation as from the 1 July 2012:

I. Tariff Policy
II. Property Rates Policy
III. Credit Control and Debt Collection Policy
IV. Cash Management and Investment Policy
V. Consumer Payment Incentive Policy
VI. Municipal Supply Chain Management Policy
VII. Petty Cash Policy
VIII. Indigent Policy
IX. Budget Policy
X. Budget Virement Policy
XI. Asset Management Policy
XII. Funding and Reserves Policy

4 Executive Summary

Introduction

This budget is the first one under the new National Treasury Budget Regulations which calls for more informed and inevitably transparent documentation which accompanies the budget.

Background

The implementation of Generally Recognised Accounting Practices (GRAP) still has a negative impact on the municipality's ability to deliver services in a sustainable manner.

The average increase in Eskom tariffs is ± 7% above the inflation rate. The expected increase for 2012/2013 will be ±13.5%. Although the municipality attempts to absorb a portion of the increase, the electricity tariffs charged to municipal customers will be increased by ± 11.5 %.

The effect of GRAP is that the operating budget has to provide for depreciation, future employee benefits and the future rehabilitation of landfill sites. Although the benefits of the mentioned accounting practices are acceptable, it have a negative impact on the cash flow budget, as no provision for these items were made in the past. Depreciation has been excluded from the cash flow forecast, but the impact is that funds are not accumulated to replace assets at the end of its useful lives. The redemption of loans was additionally added to the cash flow forecast as it is not regarded as an operating expense in terms of GRAP.

Past performance

Witzenberg Municipality has now attained three unqualified audit reports for the last three financial years. Whilst the unqualified reports are very positive achievements one has to be honest and say that it tells the reader little about whether we have improved service delivery or even delivered on our constitutional mandate. What they do say is that the Council is reasonably honest in its operations to tax and spend on behalf of the local population.

Budget Summary

The Municipality's 2012/2013 budget amounts to R 426 million, represented by a Capital Budget of R 79 million and an Operating Budget of R 347 million.

The total budget (operating and capital) will be financed from own income R 288 million and Government Grants R 138 million.

Revenue / tariff increases

- Rates for Residential and Business property will increase by ±8%. The new zoning scheme will have a positive impact on rates income as property taxes will now be levied according to the zoning of the property. The rates tariffs for Agricultural/Business/Residential and Agricultural/Industrial have been adjusted downwards, in the previous financial year, by 21.5% and 15.9% respectively as these property owners will be affected the most by the new zonings.

- The increase of Water Tariffs will be ± 4.3%.

- The increase of Sanitation Tariffs will be ± 4%.
- The tariff increase for Refuse Removal Tariffs will be ± 4%.
- The tariff increase for Electricity Tariffs will be between ± 11% on average. This increase is due to the 13.5% expected increase in electricity tariffs charged by Eskom.

Expenditure category increases

The budgeted increase in expenditure categories are as follows:

Employee related costs	3.83%
Remuneration of councillors	7.77%
Debt impairment	21.34%
Depreciation & asset impairment	17.25%
Finance charges	78.61%
Bulk purchases	22.78%
Contracted services	11.26%
Transfers and grants	3.96%
Other expenditure	61.30%

The increase in salary expenditure results from an expected 6% increase in salaries as well as the notch increase for qualifying employees.

The increase in bulk purchases is to cover the 13.5% increase in Eskom tariffs as well as the expected grow in demand.

The budgeted increase in finance charges is a direct result of the GRAP provisions for employee benefits and the interest “payable” to these provisions.

The projected increase results from a combination of factors such as (relatively low) generic growth to core tariff-based services, operational efficiencies and revenue-related policies aimed at optimising and sustaining all income sources.

The financing of capital expenditure from own funds (CRR) totals R 12 million. This amount represents a decrease to originally planned values and is earmarked to address specific infrastructural capital investment aligned to IDP focus areas. This level is considered to be affordable over the MTREF 3-year period.

Capital investment funding ex Capital Grants represents a significant portion of the Municipality’s Capital Budget in 2012/2013 and consist mainly of the Provincial Housing Grant the Municipal Infrastructure Grant (MIG) and the Regional Bulk Infrastructure Grant (RBIG).

The 2012/2013 Budget was compiled in terms of the Municipal Budget and Reporting Regulations and a phased-in process will be followed to include all information regarding the tables and supporting documentation.

Financial position and MTREF strategy

The financial position of Witzenberg Municipality is set out in Table A6: Budgeted Financial Position.

Integrated Development Plan & Priorities

The Strategic priorities as per the IDP and the financial information as per the 2012/2013 budget are as follows:

Strategic Objectives	Income	Expenditure	Capital
Developing integrated and sustainable human settlement	283 029 206	259 492 639	68 405 085
Financial Viability	53 630 008	29 818 684	-
Good Governance	5 710 503	46 488 768	1 555 043
Local Economic Development	1 401 000	1 663 042	1 315 000
Social Development	44 585 000	4 989 982	-
Strategic partnership	5 449 490	5 327 338	-
Grand Total	**393 805 207**	**347 780 453**	**71 275 128**

More detail is available in Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue), Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure) and Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure).

Effect of the annual budget

The annual budget for 2012/2013 to 2014/2015 is disclosed in detail in 'Section 4: Annual budget tables' and in 'Annexure 2: Supporting budget tables'. Each of the summarised sections below is discussed in more detail later in this document.

Financial performance

The revenue by source for medium term revenue and expenditure framework can be summarized as follows:

Revenue by source	2012/2013	2013/20014	2014/2015
Property rates	43 388 091	45 794 241	48 756 540
Property rates - penalties & collection charges	729 000	816 480	819 110
Service charges - electricity revenue	152 783 336	183 469 039	215 136 502
Service charges - water revenue	29 146 249	30 665 550	33 000 326
Service charges - sanitation revenue	12 100 308	12 695 717	13 909 682
Service charges - refuse revenue	13 869 026	14 380 777	16 072 117
Service charges - other	1 635 130	1 698 400	1 837 290

Rental of facilities and equipment	7 719 410	8 014 440	8 673 860
Interest earned - external investments	1 957 280	1 857 310	2 199 230
Interest earned - outstanding debtors	4 139 060	4 717 710	4 650 710
Fines	2 168 800	3 293 150	2 436 900
Licenses and permits	244 180	253 530	274 380
Agency services	2 864 260	2 973 750	3 218 300
Transfers recognized - operational	76 178 275	70 915 893	75 015 807
Other revenue	2 690 010	2 803 620	3 029 960
Gains on disposal of PPE	1 880	2 000	2 120
TOTAL	**351 614 295**	**384 351 607**	**429 032 834**

The operating expenditure by type for medium term revenue and expenditure framework can be summarized as follows:

Operating Expenditure By Type	**2012/2013**	**2013/20014**	**2014/2015**
Employee related costs	100 399 121	108 432 820	117 102 310
Remuneration of councillors	7 091 230	7 516 730	7 967 760
Debt impairment	11 962 280	12 611 060	13 289 750
Depreciation & asset impairment	18 623 342	20 626 836	18 918 930
Finance charges	17 477 632	19 635 961	20 498 837
Bulk purchases	118 259 148	144 807 119	173 768 544
Contracted services	9 378 340	9 650 544	10 206 910
Transfers and grants	1 078 820	1 143 570	1 212 200
Other expenditure	48 378 328	50 931 659	51 942 481
Loss on disposal of PPE	0	0	0
Total Expenditure	**332 648 241**	**375 356 299**	**414 907 722**

The National, Provincial and District Context

The Municipality's budget must be seen within the context of the policies and financial priorities of National and Provincial Government as well as the district municipality. In essence, the spheres of Government are partners in meeting the service delivery challenges faced in Witzenberg Municipality. The Municipality alone cannot meet these challenges and we require support from the other spheres of Government through the direct and indirect allocation of resources as well as the achievement of their own policies.

The following table shows the allocations to Witzenberg Municipality as set out in the National Division of Revenue Act 1 of 2011 in the MTEF period:

NATIONAL ALLOCATIONS	AMOUNT 2012/2013	AMOUNT 2013/2014	AMOUNT 2014/2015
EQUITABLE SHARE	46 200 000	49 663 000	54 017 000
Equitable share Formula	43 369 000	46 463 000	49 934 000
Special contribution toward Councillor Remuneration	2 831 000	3 200 000	4 083 000
INFRASTRUCTURE GRANTS ALLOCATIONS	19 396 491	20 461 404	21 644 737
MIG	19 396 491	20 461 404	21 644 737
ALLOCATIONS-IN-KIND	12 500 000	13 815 789	
RBIG	12 500 000	13 815 789	
SPECIFIC PURPOSE RECURRENT ALLOCATIONS	12 642 946	2 150 000	2 400 000
LG FMG	1 250 000	1 250 000	1 450 000
MSIG	800 000	900 000	950 000
Rural Development	9 592 946		
EPWP	1 000 000		
GRAND TOTAL	90 739 437	86 090 193	78 061 737

The following table shows the allocations to Witzenberg Municipality from the Provincial Government of the Western Cape.

PROVINCIAL ALLOCATIONS	**AMOUNT 2012/2013**	**AMOUNT 2013/2014**	**AMOUNT 2014/2015**
DEPARTMENT OF HUMAN SETTLEMENTS	**17 857 000**	**15 058 000**	**15 811 000**
IHHSDG	17 857 000	15 058 000	15 811 000
DEPARTMENT OF TRANSPORT AND PUBLIC WORKS	**101 000**		
MAINTENANCE OF PROCLAIMED ROADS	101 000		
DEPARTMENT OF CULTURAL AFFAIRS AND SPORT	**5 407 000**		
LIBRARY SERVICES	5 407 000		
DEPARTMENT OF LOCAL GOVERNMENT	**216 000**	**224 000**	**224 000**
CDW OPERATIONAL SUPPORT	216 000	224 000	224 000
GRAND TOTAL	**23 581 000**	**15 282 000**	**16 035 000**

To date no information has been received on transfers from the Cape Winelands District Municipality.

Budget-related policies

Please refer to paragraph 9 for details of proposed amendments to the budget related policies.

5 Annual budget Tables

- AI Budget Summary
- A2 Budgeted Financial Performance – by standard classification
- A3 Budgeted Financial Performance – by municipal vote
- A4 Budgeted Financial Performance
- A5 Budgeted capital Expenditure by vote and Funding
- A6 Budgeted Financial Position
- A7 Budgeted Cash Flows
- A8 Cash backed reserves/accumulated surplus reconciliation
- A9 Asset Management
- A10 Basic service delivery measurement

Annual budget Supporting Tables

SA1: Supporting Detail to Budgeted Financial Performance
SA2: Matrix Financial Performance Budget (revenue source/expenditure type and dept.)
SA3: Supporting detail to Budgeted Financial Position
SA4: Reconciliation of IDP, Strategic Objectives and Budget (Revenue)
SA5: Reconciliation of IDP, Strategic Objectives and Budget (Operating Expenditure)
SA6: Reconciliation of IDP, Strategic Objectives and Budget (Capital Expenditure)
SA7: Measurable Performance Objectives
SA8: Performance Indicators and Benchmarks
SA9: Social, Economic and Demographic Statistics and Assumptions
SA10: Funding Measurement
SA11: Property Rates Summary
SA12a: Property rates by category (current year)
SA12b: Property rates by category (budget year)
SA13: Service Tariffs by category
SA 14: Household Bills
SA15: Investment Particulars by Type
SA16: Investment Particulars by Type
SA17: Borrowing

SA18: Transfers and Grant Receipts
SA19: Expenditure on Transfers and Grant Programme
SA20: Reconciliation of Transfers, Grant Receipts and Unspent Funds
SA21: Transfers and Grants made by the Municipality
SA22: Summary Councillor and Staff Benefits
SA23: Salaries, Allowances and Benefits (political office bearers/councillors/senior managers)
SA24: Summary of Personnel Numbers
SA25: Budgeted Monthly Revenue and Expenditure
SA26: Budgeted Monthly Revenue and Expenditure (Municipal Vote)
SA27: Budgeted Monthly Revenue and Expenditure (Standard Classification)
SA28: Budgeted Monthly Capital Expenditure (Municipal Vote)
SA29: Budgeted Monthly Capital Expenditure (Standard Classification)
SA30: Budgeted Monthly Cash Flow
SA31: Entities not required
SA32: List of External Mechanisms
SA33: Contracts having Future Budgetary Implications
SA34a: Capital Expenditure on New Assets by Asset Class
SA34b: Capital Expenditure on the Renewal of Existing Assets by Asset Class
SA34c: Repairs and Maintenance Expenditure by Asset Class
SA34d: Depreciation by Assets Class
SA35: Future Financial Implications of the Capital Budget
SA36: Detail Capital Budget
SA37: Projects Delayed from Previous Financial Years

6 Overview of the Budget Process

6.1 Political oversight of the budget process

Section 53 (1) of the MFMA stipulates that the mayor of a municipality must provide general political guidance over the budget process and the priorities that guide the preparation of the budget.

Section 21(1) of the MFMA states that the Mayor of a municipality must coordinate the processes for preparing the annual budget and for reviewing the municipality's integrated development plan and budget-related policies to ensure that the tabled budget and any revisions of the integrated development plan and budget-related policies are mutually consistent and credible.

Furthermore, this section also states that the Mayor must at least 10 months before the start of the budget year, table in municipal council, a time schedule outlining key deadlines for the preparation, tabling and approval of the annual budget.

This time schedule provides for political input from formal organizations such as portfolio Committees.

6.2. Schedule of Key Deadlines relating to budget and IDP process [MFMA s 21(1) (b)]

The IDP and Budget time schedule of the 2012/2013 budget cycle was approved by Council on during August 2011, 10 months before the start of the budget year in compliance with legislative directives.

The IDP and Budget Process Plan ensure that the role-players within the process are well prepared. All activities outlined within this document have been prepared in close inter-relation with the Framework that governs both the District and all local municipalities.

The following public budget and IDP meetings were held throughout Witzenberg and all members of the public were urged to attend.

Date	Time	Town/Sector	Venue
11 Apr 12	19h00	Tulbagh	Witzenville Community Hall
12 Apr 12	19h00	N'Duli	N'Duli Community Hall
16 Apr 12	19h00	PA Hamlet	Kliprug Community Hall
17 Apr 12	19h00	Bella Vista	Bella Vista Community Hall
18 Apr 12	19h00	Ceres	Ceres Town Hall
19 Apr 12	18h00	Ward Committees	As per invitation
23 Apr 12	19h00	Op-Die-Berg	Nuykintaba Community Hall
24 Apr 12	19h00	Wolseley	Montana Community Hall
25 Apr 12	11h00	Business & Agriculture	As per invitation

6.3. Process used to integrate the review of the IDP and preparation of the Budget

Updating the IDP and Budget is an evolving and re-iterative process over a 10 month period. The initial parallel process commenced with the consultative process of the IDP in 2011 and

the update of the MTREF to determine the affordability and sustainability framework at the same time.

6.4. Process for consultation with each group of stakeholders and outcomes

Following tabling of the draft budget in March 2012, local input were solicited via notices published in all major newspapers, including The Cape Times, Die Burger and The Witzenberg Herald.

Comments on the IDP/Budget were made by the public via verbal presentations, facsimiles, emails and in the form of correspondence to the municipality and will be considered for incorporation as part of the budget process.

6.5. Stakeholders involved in consultations

The approve budget will be provided to National Treasury and Provincial Treasury in June 2012 for their consideration in line with S23 of the MFMA.

6.6. Process and media used to provide information on the Budget to the community

The Municipality's consultation process on its draft IDP and budget were held during April 2012, where various community organizations and representatives gave input

Community representatives and organizations had to review the priorities given previously and to ascertain whether it has been captured as priorities during the 2012/13 IDP/Budget process.

6.7. Methods employed to make the Budget document available (including websites)

In compliance with the Municipal Finance Management Act and the Municipal Systems Act with regards to the advertising of Budget Documents (including the Tariffs, Fees and Charges for 2012/2013), advertisements were placed in The Cape Times, Die Burger and the community newspapers. The information relating to resolutions and budget documentation were displayed at the notice boards in the municipal offices as well as libraries.

In compliance with S22 of the MFMA, the Budget documentation was published on the municipality's website.

7 IDP Overview and Amendments

- **VISION**

A Municipality that cares for its community, creating growth and opportunities

- **MISSION**

The Witzenberg Municipality is committed to improve the quality of life of its community by:

- Providing and maintaining affordable services.
- Promoting Social and Economic Development
- The effective and efficient use of available resources
- Effective Stakeholder and Community participation

- **VALUE SYSTEM**

- Driven by the aspirations of our Community, we will respect and uphold the Constitution of the Republic of South Africa.
- We commit ourselves to the Code of Conduct for Councillors and officials in the Municipal Systems Act.
- We commit ourselves to the principles of sound financial management.

- **Alignment with Provincial and National Government**

Witzenberg Municipality's development plan needs to align with National and Provincial initiatives to ensure optimal impact from the combined efforts of government. In this regard there are six critical elements: Accelerated and Shared Growth-South Africa (ASGI-SA), National Spatial Development Perspective (NSDP), National Strategy for Sustainable Development (NSSD), Provincial Growth and Development Strategy (PGDS) and Provincial Spatial Development Framework (PSDF).

All these feed into and influence the Integrated Development Plan.

- **Witzenberg Municipality Budget Priorities (Key Performance areas)**

The Municipality's 2012/2013 to 2014/12015 integrated development plan focuses on five strategic focus areas. The concrete objectives for each strategic focus area have been outlined and elaborated on. These objectives will be used to further develop key performance indicators against which performance implementation monitoring and reporting will be done. The corporate scorecard outlines these indicators and targets.

The six focus areas are:

- Financial sustainability
- Local Economic Development
- Social development
- Strategic Partnerships

- Developing integrated and sustainable human settlement
- Good Governance

8 Measurable performance objectives and indicators

(a) KEY FINANCIAL INDICATORS AND RATIOS

Information regarding key financial indicators and ratios are provided on Supporting Table SA 8.

(b) MEASURABLE PERFORMANCE OBJECTIVES

Information regarding revenue is provided as follows:

Revenue for each vote	- Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)
Revenue for each source	- Table A4 Budgeted Financial Performance (revenue and expenditure)

Provision of free basic services:

(i) Cost to the Witzenberg Municipality in rand value for each of the free basic services provided to indigent households:

	2012-2013	2013-2014	2014-2015
Property Rates	1 884 484	2 096 416	1 978 840
Electricity	1 748 867	1 927 069	1 744 550
Housing	347 065	364 428	393 720
Sewerage	5 519 943	5 795 941	6 085 738
Refuse	5 885 971	6 180 270	6 489 283
Water	3 176 956	3 335 803	3 502 594
Total	18 563 286	19 699 927	20 194 725

More detail is provided in Table A10 Basic service delivery measurement,

(ii) Level of service to be provided

The first R 85 000 of the municipal valuation of property of indigent households are exempt from property rates.

Indigents will receive 50 kWh of electricity and 6 kilolitre of water per month while their basic charges for water, refuse and sewerage will be subsidized.

(iii) Number of households to receive free basic services

There is budgeted for 3 500 households that will receive 50 kWh electricity per month as well as 6 kilolitre water per month.

A further 1700 households in informal areas receive all services excluding electricity free of charge.

9 Overview of Budget Related Policies and Amendments

The following budget related policies are tabled with the budget documentation for comments and inputs:

Tariff Policy
Property Rates Policy
Credit Control and Debt Collection Policy
Cash Management and Investment Policy
Consumer Payment Incentive Policy
Municipal Supply Chain Management Policy
Petty Cash Policy
Indigent Policy
Budget Policy
Budget Virement Policy
Asset Management Policy
Funding and Reserves Policy

Policies will be available at libraries in the municipal area and the website of the municipality.

The budget related policies were reviewed by management. The amendments recommended are explained below:

TARIFF POLICY

The Municipal System Act requires Council to adopt a Tariff Policy. The general financial management functions covered in section 62 of the MFMA includes the implementation of a tariff policy. Specific legislation applicable to each service has been taken into consideration when determining this policy.

No amendments are recommended.

PROPERTY RATES POLICY

A Rates Policy in accordance with Section 3 of the Municipal Property Rates Act (No 6 of 2004) (MPRA) was approved Council and updated on 15 June 2010.

The policy guides the annual setting of property rates.

The shifting of open spaces from business to residential and agricultural are recommended.

CREDIT CONTROL AND DEBT COLLECTION POLICY

This Policy has been formulated in terms of section 96 (b) and 98 of the Local Government: Municipal Systems Act, 2000 and the Credit Control and Debt Collection By-Law.

An amendment to allow that the services of indigent households may be cut is recommended.

CASH MANAGEMENT AND INVESTMENT POLICY

The underlying cash is managed and invested in accordance with the Municipality's approved Cash Management and Investment Policy, which is aligned with National Treasury's municipal investment regulations dated 01 April 2005.

No amendments are recommended.

CONSUMER PAYMENT INCENTIVE POLICY

The purpose of the policy is to encourage residents of Witzenberg to pay for services and also to promote the culture of payment amongst its citizens.

No amendments are recommended.

MUNICIPAL SUPPLY CHAIN MANAGEMENT POLICY

Section 111 of the MFMA requires each Municipality and municipal entity to adopt and implement a supply chain management policy, which gives effect to the requirements of the Act. The Municipality's Supply Chain Management Policy was approved by Council.

The recommended adjustments to the policy is to align the policy with the new Preferential Procurement Regulations, and to streamline the policy to include best practices as advised by staff of the Provincial Government following their review of the policy.

PETTY CASH POLICY

The policy provides for the cash purchases up to a transaction value of R 2000.00

No amendments are recommended.

INDIGENT POLICY

The aim of the policy is to ensure a sound and sustainable manner to provide affordable basic services to the poor by means of assisting them financially within the legal framework of the powers and functions of the municipality in order to improve the livelihood, in an effort to create a prosperous municipality free of poverty.

No amendments are recommended.

BUDGET POLICY

The aim of the policy is to set out the principles which the municipality will follow in preparing each medium term revenue and expenditure framework (budget) and the responsibilities of the mayor and officials.

No amendments are recommended.

BUDGET VIREMENT POLICY

National Treasury has advised municipalities to implement a virement policy to ensure that funds can be shifted for of operational requirements to ensure that service delivery is not hampered.

It I recommended to adjust the policy to streamline the approval process, by granting certain functions to the Deputy Director Finance and to put more control measures in place for transfers to travelling, accommodation and entertainment expenditure.

ASSET MANAGEMENT POLICY

The aim of the policy is to ensure that the assets of the municipality are properly managed and accounted for.

No amendments are recommended.

FUNDING AND RESERVE POLICY

In terms of section 8 of the Municipal Budget and Reporting Regulations each municipality must have a funding and reserves policy.

The policy aims to set standards and guidelines towards ensuring financial viability over both the short- and long term and includes funding as well as reserves requirements.

Amendments to the policy are recommended to provide for certain contributions to the Capital Replacement Reserve.

10 Overview of Budget Assumptions

Expenditure

Salaries and Allowances

It is assumed that salaries of employees and councillors will in terms of the National Bargain Council negotiations of salary increases for the following three years. The following was negotiated for 2012/2013 namely:

Salary increase based on CPIX 6.5% plus 2.5% notch increase for qualifying employees.

The Minister of Finance will approve increases of councillors during the 2012/2013 financial year, and the increase will be implemented as from 1 July 2012.

General expenditure

It is assumed that costs for services will increase in line with the CPIX. The current oil price is a concern and it is expected that the fuel price hikes will have a substantial effect on expenditure. It is also assumed that the capital projects for 2012/2013 will be completed during the financial year as there were budgeted for the depreciation of such projects as per general recognized accounting practice (GRAP).Depreciation on new capital expenditure is calculated at a varying rate ranging between 3 and 20 years depending on the nature of the asset.

Repairs and Maintenance

It is assumed that municipal infrastructure and assets will be maintained as per previous years and that no major breakages will take place during the financial year.

Capital costs

It is assumed that interest rates will be stable during the financial year, but the provision for capital has not been decreased.

Bulk Purchases

It is assumed that electricity tariffs of Eskom will increase by 13.5% as from 1 July 2012, as approved by NERSA. This increase includes an increase from 2.5 to 3.5 cent in the environmental levy charge.

Income

Households

It is assumed that the total households in the municipal area (the tax base) will stay stable during the financial year. The new RDP houses to be built will be for the benefit of families residing in informal areas. The total number of households is thus not expected to increase. Care must be taken that the informal structures are removed as soon as the beneficiaries moved to the new houses.

Collection rate for municipal services

It is assumed that the collection rate (percentage of service charges recovered) for the financial year will be the same as the current payment rate.

In accordance with relevant legislation and national directives, the estimated revenue recovery rates are based on realistic and sustainable trends. The Municipality's collection rate is set at an average of 96%. Adequate provision is made for non-recovery. Whilst collection rates will vary between different services and be based on current trends, special provision was made to cater for roll-out of an extended indigent program.

Grants

It is assumed that the National and Provincial grants as per Division of Revenue Act (DORA) which has been included in the budget will be received during the 2012/2013 financial year.

Indigents

It is assumed that the number of indigents will not increase to more than 3 500 during the financial year due to the adjustments to the indigent policy approved during September 2011.

11 Overview of Budget Funding

Summary

The operating budget for 2012/2013 to 2014/2015 will be financed as follows:

OPERATING REVENUE	2012/2013	2013/20014	2014/2015
Charged for electricity, water, refuse and sewage	209 534 049	242 909 483	279 955 917
Property Rates	44 117 091	46 610 721	49 575 650
Provincial and National Operating Grants	76 178 275	70 915 893	75 015 807
Sundry charges / Other	21 784 880	23 915 510	24 485 460
Total Operating Revenue excl. Capital Transfers	351 614 295	384 351 607	429 032 834

The capital budget for 2012/2013 to 2014/2015 will be financed as follows:

CAPITAL REVENUE	2012/2013	2013/20014	2014/2015
Own Funds (Capital Replacement Reserves)	12 941 167	13 650 128	10 576 000
Grants	62 001 428	33 134 951	20 098 621
Total Capital Budget	74 942 595	46 785 079	30 674 621

Reserves

All the reserves of the municipality are not cash funded. The process to accumulate sufficient funds is a long term process as tariff increases must be kept to a minimum, and service delivery must be continued.

Sustainability of municipality

The way that the budget is funded will ensure that the municipality will be sustainable on the short term. The full effect of huge increases in electricity tariffs may on the long run impact negatively on the sustainability of the municipality. This is a huge concern for the municipality and the municipality has no control over the increases approved by NERSA.

Impact on rates and tariffs

The way that the budget is funded will ensure that, except for electricity tariffs, service tariff increases will range from 4% to 5%. Property rates tariffs will increase with ± 8%. The municipality has no control over the increases of electricity tariffs and the 13.5 % increase in electricity tariffs of Eskom; will have a negative impact on the local economy, although tariffs charged by the municipality will only increase by 11.5% on average.

Property valuations, rates, tariffs and other charges

A General Valuation was done in terms of the Property Rates Act, (Act 6 of 2004) during 2008/2009. A new general valuation will be performed during the 2012/2013 financial year with implementation from 1 July 2013.

The rates tariffs as well as tariffs for electricity, water, refuse, sewage together with the sundry tariffs are listed in Section B – Tariffs. The tariff increases are also indicated.

Collection Rate

Income levels for service charges and rates for the budget year were based on the following collection rates:

Rates	94.0%
Electricity	99.0%
Water	87.5%
Sanitation	89.0%
Refuse	88.0%

Planned savings and efficiencies

The following areas were identified for possible savings after the efficiency of the usage of the assets/services has been evaluated:

Telephone costs
Cell phone cost
Overtime
Standby
Vehicle running cost

Investments

Particulars of monetary investments as at 30 May 2012:

Investments	**Amount**
Nedbank Ltd	8 000 000
Absa	5 710 169
Standard Bank of SA Ltd	4 154 808
Investec Bank	7 000 000
First Rand	29 402
TOTAL	**24 894 380**

Contributions and donations received

There was not budgeted for any contributions and donations to be received.

Planned proceeds of sale of assets

No significant revenue is expected from the sale of redundant assets.

Planned use of previous year's cash backed accumulated surplus

The previous year's surplus is not cash backed.

Particulars of existing and any new borrowing proposed to be raised

There is no new borrowing proposed.

12 Expenditure on allocations and grant Programmes

Particulars of budgeted allocations and grants

Please refer to Supporting Table SA19: Expenditure on transfers and grant programme.

13 Allocations or grants made by the Municipality

Please refer to Supporting Table SA21 Transfers and grants made by the municipality.

14 Councillor allowances and employee benefits

Costs to Municipality:

Councillors

Speaker (1)	R 521 335
Executive Mayor (1)	R 651 668
Deputy Executive Mayor (1)	R 521 335
Executive Committee (4)	R 2 268 877
Other Councillors (16)	R 3 128 016
	R 7 091 230

Senior Managers

Municipal Manager	R 1 294 660
Chief Financial Officer	R 1 000 795
Director: Corporate Services	R 1 000 795
Director: Community Services	R 1 000 795
Director: Technical Services	R 1 000 795
	R 5 297 840

All other staff R 95 101 281

Number of Councillors 23

Number of personnel employed

Senior Managers 5

Details of employee numbers can be obtained on Supporting Table SA24: Summary of personnel numbers.

15 Monthly targets for revenue, expenditure and cash flow

The monthly targets for revenue and expenditure are provided in Supporting Table SA25 Budgeted monthly revenue and expenditure.

The monthly targets for cash flows are provided in Supporting Table SA30 Budgeted monthly cash flow.

16 Capital spending detail

Information/detail regarding capital projects by vote is provided in Supporting Table SA36: Detailed capital budget.

17 Legislation compliance status

Witzenberg Municipality complies in general with legislation applicable to municipalities.

18 Municipal Manager's quality certification

Quality Certificate

I, Mr D Nasson, Municipal Manager of Witzenberg Municipality, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the budget and supporting documentations are consistent with the Integrated Development Plan of the municipality.

Print name Mr D NASSON

Municipal Manager of WITZENBERG MUNICIPALITY.

Signature:

Date 31 May 2012

OPERATING REVENUE AND EXPENDITURE

NT Item	SCHEDULE 2	Audit Actual 2010/2011	Current year: Original Budget 2011/2012	Current year: Adjustment Budget 2011/2012	Current year: Variance	Current year: Budget Year 2012/2013	Variance	Budget Year +1 2013/2014	Variance	Budget Year +2 2014/2015
0100	**OPERATING REVENUE**	**R**	**R**	**R**				**R**		**R**
200	Property rates	-31 141 680	-41 773 342	-37 894 196	-10.2%	-46 115 230	10.40%	-48 771 702	5.80%	-51 691 550
300	Penalties imposed and collection charges on rates	-746 355	-675 000	-675 000	0.0%	-729 000	8.00%	-816 480	12.00%	-819 110
400	Service charges	-169 069 128	-196 301 532	-196 782 756	0.2%	-225 865 786	15.10%	-260 148 566	15.20%	-297 778 082
700	Rental of facilities and equipment	-6 405 937	-7 282 346	-7 282 346	0.0%	-7 719 410	6.00%	-8 014 440	3.80%	-8 673 860
800	Interest earned - External Investments	-2 892 870	-1 846 488	-1 846 488	0.0%	-1 957 280	6.00%	-1 857 310	-5.10%	-2 199 230
1000	Interest earned - Outstanding Debtors	-4 065 990	-3 904 743	-3 904 743	0.0%	-4 139 060	6.00%	-4 717 710	14.00%	-4 650 710
1300	Fines	-558 976	-2 046 028	-2 046 028	0.0%	-2 168 800	6.00%	-3 293 150	51.80%	-2 436 900
1400	Licenses and permits	-193 678	-230 349	-230 349	0.0%	-244 180	6.00%	-253 530	3.80%	-274 380
1500	Income for agency services	-2 666 670	-2 702 124	-2 702 124	0.0%	-2 864 260	6.00%	-2 973 750	3.80%	-3 218 300
1600	Grants & subsidies received - Operating	-53 668 175	-48 731 701	-55 066 552	11.5%	-76 178 275	56.30%	-70 915 893	-6.90%	-75 015 807
1610	Grants & subsidies received - Capital	-46 706 732	-54 522 105	-54 522 105	0.0%	-62 001 428	13.70%	-33 134 951	-46.60%	-20 098 621
1700	Other Revenue	-3 716 558	-2 497 576	-2 422 576	-3.1%	-2 690 010	7.70%	-2 803 620	4.20%	-3 029 960
1800	Gain on disposal of property plant and equipment	-	-1 771	-1 771	0.0%	-1 880	6.20%	-2 000	6.40%	-2 120
1900	**Total operating Revenue Generated**	**-321 832 749**	**-362 515 105**	**-365 377 034**	**0.8%**	**-432 674 599**	**19.40%**	**-437 703 102**	**1.20%**	**-469 888 630**
2000	Less: Income forgone	13 900 998	17 817 445	17 817 445	0.0%	19 058 876	0.00%	20 216 544	0.00%	20 757 175
2100	**Total Direct Operating Revenue**	**-307 931 751**	**-344 697 660**	**-347 559 589**	**0.8%**	**-413 615 723**	**20.00%**	**-417 486 558**	**0.90%**	**-449 131 455**
2200	**INTERNAL TRANSFERS**									
2700	**Total Indirect operating Revenue**	**-25 038 815**	**-25 756 246**	**-26 425 453**	**2.5%**	**-27 474 752**	**6.70%**	**-29 402 060**	**7.00%**	**-30 892 023**
2800	**TOTAL OPERATING REVENUE**	**-332 970 566**	**-370 453 906**	**-373 985 042**	**0.9%**	**-441 090 475**	**19.10%**	**-446 888 618**	**1.30%**	**-480 023 478**
2900	**OPERATING EXPENDITURE**									
3000	Employee related costs - Salaries & Wages	61 440 378	73 114 542	70 085 170	-4.3%	77 198 597	5.60%	83 374 650	8.00%	90 044 310
3100	Employee related costs - Social contributions	15 642 680	23 583 916	23 392 919	-0.8%	23 200 524	-1.60%	25 058 170	8.00%	27 058 000
3400	Remuneration of Councilors	5 577 034	6 579 815	6 689 815	1.6%	7 091 230	7.80%	7 516 730	6.00%	7 967 760
3500	Impairment of debtors	12 887 170	9 858 239	9 858 239	0.0%	11 962 280	21.30%	12 611 060	5.40%	13 289 750
3600	Collection costs	333 472	639 553	579 553	-10.4%	677 930	6.00%	718 620	6.00%	761 750
3700	Depreciation	8 789 312	15 884 067	15 884 067	0.0%	18 623 342	17.20%	20 626 836	10.80%	18 918 930
3800	Repairs and Maintenance - Municipal Assets	11 004 672	12 611 869	14 498 196	13.0%	14 202 082	12.60%	14 881 358	4.80%	15 877 784
3900	Interest Expense - External borrowings	13 928 616	9 785 138	9 755 138	-0.3%	17 477 632	78.60%	19 635 961	12.30%	20 498 837
4100	Bulk purchases	79 826 385	96 315 356	96 738 980	0.4%	118 259 148	22.80%	144 807 119	22.40%	173 768 544
4200	Contracted services	9 141 617	8 429 228	9 511 296	11.4%	9 378 340	11.30%	9 650 544	2.90%	10 206 910
4300	Grants & subsidies paid	1 077 518	1 037 750	1 057 750	1.9%	1 078 820	4.00%	1 143 570	6.00%	1 212 200
4400	General Expenses - other	46 521 796	29 352 675	29 252 793	-0.3%	47 400 398	61.50%	50 213 039	0	51 180 731
4600	**Total Direct Operating Expenditure**	**265 995 515**	**286 912 863**	**287 024 631**	**0.0%**	**346 550 323**	**20.80%**	**390 237 657**	**12.60%**	**430 785 506**
5000	Internal Charges (ACB)	25 044 615	25 756 246	26 425 453	2.5%	27 474 752	6.70%	29 402 060	7.00%	30 892 023
5100	Total indirect Operating Expenditure	**25 044 615**	**25 756 246**	**26 425 453**	**-2.5%**	**27 474 752**	**6.70%**	**29 402 060**	**7.00%**	**30 892 023**
5200	**TOTAL OPERATING EXPENDITURE**	**291 040 130**	**312 669 109**	**313 450 084**	**-0.2%**	**374 025 075**	**19.60%**	**419 639 717**	**12.20%**	**461 677 529**
6700	**SURPLUS**	**-43 465 846**	**-57 248 897**	**-58 747 342**	**-2.6%**	**-67 065 400**	**0.00%**	**-27 248 901**	**0.00%**	**-18 345 949**
	TEST for internal transfers must be Zero	**5 800**	**-**	**-**		**-**		**-**		**-**
	Surplus or (Deficit)	43 465 846	57 248 897	58 747 342		67 065 400		27 248 901		18 345 949
	Less: Capital transfers recognised	-46 706 732	-54 522 105	-54 522 105		-62 001 428		-33 134 951		-20 098 621
1735	Less: VAT on Grants (included in operating Grants)	-15 213 213	-10 036 424	-10 369 744		-6 318 275		-4 050 893		-2 813 807
	Sub-total	**-18 454 099**	**-7 309 632**	**-6 144 507**		**-1 254 303**		**-9 936 943**		**-4 566 479**
	Add: Depreciation charges	8 789 312	15 884 067	15 884 067		18 623 342		20 626 836		18 918 930
	Add: Contribution Employee Benefits **1/3**		5 820 125	5 778 458		2 769 300		2 956 943		3 157 360
3903	Add: Unamortised Discount		0	0		1 814 212		1 694 901		1 482 197
3905	Add: Interset on Rehabilitation **1/3**		0	0		496 257		526 033		557 597
	Less: Redemption payments	-7 244 139	-7 440 767	-7 440 767		-8 700 000		-9 300 000		-9 900 000
	Available for Capital (Excluding VAT on Grants)	**-16 908 926**	**6 953 793**	**8 077 251**		**13 748 808**		**6 567 771**		**9 649 605**
	Total Available for Capital (Including VAT on Grants)	**-1 695 713**	**16 990 217**	**18 446 995**		**20 067 083**		**10 618 664**		**12 463 412**

									74 942 595	46 785 079	30 674 621
Description	**Life Span**	**Department**	**Municipal Ward**	**Area**	**New/ Replacement**	**Department**	**Detailed Funding Source**	**Vote number**	**New Budget 2012-2013**	**New Budget 2013-2014**	**New Budget 2014-2015**
Fencing Cemetries Extensio	30	Cemetries	All	Witzenberg	New	201	CRR	520101301	50 000	-	70 000
Computer Hardware & Software (	7	Cemetries	All	Witzenberg	New	201	CRR	520100011	-	120 000	-
Tools & Equipment	7	Cemetries	All	Witzenberg	New	201	CRR	520120001	2 337	2 454	-
Tools & Equipment-replaceme	7	Cemetries	All	Witzenberg	Replacement	201	CRR	520130001	1 402	1 473	-
Furniture	7	Library services	All	Witzenberg	Replacement	204	CRR	520400021	-	40 000	-
Vehicle Refurbishment	7	Fire protection sevices	All	Witzenberg	New	205	CRR	520500771	280 000	-	300 000
Fire Fighting Equipment	7	Fire protection sevices	All	Witzenberg	New	205	CRR	520501361	100 000	-	70 000
New Fire Fighting Vehicle	20	Fire protection sevices	All	Witzenberg	Replacement	205	CRR	520570001	663 678	-	-
Equipment/ Appliances Upgr	7	Pine Forest : Administration	3	Ceres	Replacement	206	CRR	520601371	150 000	-	-
Tools & Equipment	7	Pool	All	Witzenberg	New	210	CRR	521020001	2 922	3 068	-
Tools & Equipment-replaceme	7	Pool	All	Witzenberg	Replacement	210	CRR	521030001	2 921	3 068	-
Tools & Equipment	7	facilities	All	Witzenberg	New	211	CRR	521120001	55 258	65 522	-
Building Refurbishment	30	facilities	All	Witzenberg	Refurbishment	211	CRR	521100041	-	100 000	-
Buildings Upgrading- Tulba	30	facilities	11	Tulbagh	Refurbishment	211	CRR	521100321	60 000	-	-
Equipment- Tables (w-el)	7	facilities	All	Witzenberg	Refurbishment	211	CRR	521100031	-	40 000	-
Upgrading Play Grounds & Parks- Bella Vi	30	Parks	6	Bella Vista	NEW	219	Rural Development	521950001	-	3 000 000	-
Hamlet Poverty Project	30	Parks	4	PA Hamlet	NEW	219	Rural Development	521910001	700 000	1 000 000	-
Upgrading Play Grounds & Parks- Nduli	30	Parks	All	Witzenberg	New	219	Rural Development	521940001	789 473	-	-
Replace Cutting Tractors	7	Parks	All	Witzenberg	New	219	CRR	521902161	350 000	-	350 000
Rerplace 4 Ldv's For Parks	7	Parks	All	Witzenberg	Replacement	219	CRR	521900071	-	200 000	200 000
Replace Trailers	7	Parks	All	Witzenberg	Replacement	219	CRR	521900061	-	100 000	100 000
Toerusting- 6 X Bossiekappers	7	Parks	All	Witzenberg	Replacement	219	CRR	521900081	-	100 000	100 000
Replace Irrigation Systems Par	30	Parks	All	Witzenberg	Replacement	219	CRR	521900051	-	20 000	50 000
Tools & Equipment	7	Parks	All	Witzenberg	NEW	219	CRR	521920001	24 090	24 294	-
Tools & Equipment-replaceme	7	Parks	All	Witzenberg	Replacement	219	CRR	521930001	1 753	1 841	-
High Lift Work Platform	7	Parks	All	Witzenberg	New	219	CRR	521900061	350 000	-	-
Traffic Lights	7	Traffic	All	Witzenberg	Replacement	220	CRR	522000011	-	300 000	-
Vehicle- Replacement Progr	7	Traffic	All	Witzenberg	Replacement	220	CRR	522001481	-	260 000	-
Upgrading Building- Ceres,	30	Traffic	5	Ceres	Refurbishment	220	CRR	522001491	150 000	-	-
Building Refurbishment	30	Traffic	All	Witzenberg	Refurbishment	220	CRR	522000021	-	50 000	-
Replace Vehicles	7	Social & Welfare services	All	Witzenberg	Replacement	222	CRR	522200011	-	-	250 000
Upgrading Sport Facilities- Ceres	20	Recreational Land	3	Ceres	New	223	MIG	522340001	856 140	416 666	514 285
Upgrading Sport Facilities-Wolseley	20	Recreational Land	7	Wolseley	New	223	MIG	522370001	438 596	416 666	514 285
Upgrading Sport Facilities- Tulbagh	20	Recreational Land	11	Tulbagh	New	223	MIG	522360001	263 158	416 666	514 285
Upgrading Sport Facilities-Nduli	20	Recreational Land	12	N'duli	New	223	MIG	522350001	196 491	416 666	514 285
Upgrading Sport Facilities-Bella Vista	20	Recreational Land	6	Bella Vista	New	223	MIG	522301231	-	416 666	514 290
Upgrading Sport Facilities-Hamlet	20	Recreational Land	4	PA Hamlet	New	223	MIG	522380001	-	416 670	514 285
Upgrading Sport Facilities-ODB	20	Recreational Land	9	Op-die-Berg	New	223	MIG	522390001	220 000		514 285
Sport Facilities- Bella Vista Dreinering	20	Recreational Land	6	Bella Vista	New	223	Dept of Sport	522300851	109 458		
Tools & Equipment	7	Recreational Land	All	Witzenberg	NEW	223	CRR	522320001	5 259	5 522	-
Tools & Equipment-replaceme	7	Recreational Land	All	Witzenberg	Replacement	223	CRR	522330001	2 922	3 068	-
Swimming Pool Hamlet	20	Swimming Pools	4	PA Hamlet	New	224	Rural Development	522401231	5 263 000		
Swimming Pool - Re-fibreglass	20	Swimming Pools	All	Witzenberg	Replacement	224	CRR	522401571	100 000	100 000	100 000
Equipment/ Appliances Upgr	7	Swimming Pools	All	Witzenberg	Replacement	224	CRR	522401541	45 000	-	-
Tools & Equipment	7	Swimming Pools	4	PA Hamlet	New	224	CRR	522420001	20 000	20 000	-
Equipment - Airconditioners	7	Property Maintenance	All	Witzenberg	Replacement	226	CRR	522600091	-	-	250 000
Tools & Equipment	7	Property Maintenance	All	Witzenberg	NEW	226	CRR	522620001	4 675	4 908	-

									74 942 595	46 785 079	30 674 621
Description	**Life Span**	**Department**	**Municipal Ward**	**Area**	**New/ Replacement**	**Department**	**Detailed Funding Source**	**Vote number**	**New Budget 2012-2013**	**New Budget 2013-2014**	**New Budget 2014-2015**
Tools & Equipment-replaceme	7	Property Maintenance	All	Witzenberg	Replacement	226	CRR	522630001	1 870	1 963	-
Economical Hub- Bella Vista	30	L E D	6	Bella Vista	New	227	Rural Development	522740001	1 315 000	-	-
Installation Of Security Equip	7	Housing : Maintenance	All	Witzenberg	New	229	CRR	522901581	-	70 000	-
Office Furniture - Witzenberg	7	Administration	All	Witzenberg	Replacement	301	CRR	530100011	200 000	200 000	200 000
Upgrading Of Phone System	7	Administration	All	Witzenberg	New	301	CRR	530100441	100 000	100 000	100 000
Toerusting - Lugversorger	7	Administration	All	Witzenberg	Replacement	301	CRR	530101581	43 000	-	-
Equipment	7	Administration	All	Witzenberg	Replacement	301	CRR	530101671	-	20 000	-
Building- Municipal Offices	30	Property Administration	5	Ceres	Refurbishment	302	CRR	530201521	70 000	-	2 516 000
Community Hall- Pine Valle	30	Property Administration	7	Wolseley	New	302	IHHSDG	530204301	1 300 000	-	-
Uprgading- Polo Cross Hall	30	Property Administration	1	N'duli	New	302	Rural Development	530250001	789 473	-	-
Rekenaarhardeare- Vervangi	5	Information Tecnology	All	Witzenberg	Replacement	304	CRR	530401631	200 000	200 000	200 000
Computer Hardw - Server (w-el)	5	Information Tecnology	All	Witzenberg	Replacement	304	CRR	530402311	76 000	-	-
Upgrading Of Ms Office Sof	5	Information Tecnology	All	Witzenberg	Replacement	304	CRR	530401711	60 000	-	-
Server Replacement Programme	5	Information Tecnology	All	Witzenberg	Replacement	304	CRR	530401821	-	60 000	-
Wireless Equipment	5	Information Tecnology	All	Witzenberg	New	304	CRR	530402921	10 000	-	-
Wireless Access Points	5	Information Tecnology	All	Witzenberg	New	304	CRR	530401701	9 000	-	-
Vehicle	7	Human Resources	All	Witzenberg	New	305	CRR	530501821	-	-	150 000
Promotional Material & Equipment	5	Communications	All	Witzenberg	New	312	CRR	531201911	100 000	150 000	200 000
Network- Chris Hani	20	Electricity: Client Services	11	Tulbagh	New	405	CRR	540501841	2 200 000	-	-
Tools & Equipment-replaceme	7	Electricity: Client Services	All	Witzenberg	Replacement	405	CRR	540530001	50 009	52 510	-
Tools & Equipment	7	Electricity: Client Services	All	Witzenberg	New	405	CRR	540520001	28 755	30 193	-
Streetlighting - Chris Hani 600	25	Electricity: Street lights	11	Tulbagh	New	407	MIG	540701861	870 350	-	-
Chris Hani Street Lights- See Mig	25	Electricity: Street lights	11	Tulbagh	Replacement	407	CRR	540701961	122 000	-	-
11 Kv Supply- Industrial Area Wolseley	20	Electricity: Distribution	7	Wolseley	New	408	CRR	540806411	400 000	400 000	400 000
Remote Metering	20	Electricity: Distribution	All	Witzenberg	New	408	MSIG	540801981	200 000	200 000	-
Tools & Equipment	7	Electricity: Distribution	All	Witzenberg	New	408	CRR	540820001	47 009	49 360	-
Tools & Equipment-replaceme	7	Electricity: Distribution	All	Witzenberg	Replacement	408	CRR	540830001	7 602	7 982	-
Tools & Equipment-replaceme	7	Mechanical Workshop	All	Witzenberg	Replacement	409	CRR	540930001	11 025	11 576	-
Tools & Equipment	7	Mechanical Workshop	All	Witzenberg	New	409	CRR	540920001	-	11 576	-
Upgrading Tulbagh Wwtw	20	Sewerage	11	Tulbagh	Replacement	411	MIG	541103801	-	5 000 000	6 000 000
Upgrading Of Wolseley Wwtw	20	Sewerage	7	Wolseley	Replacement	411	DWAF	541102451	4 000 000	-	-
Odb Sewerworks	20	Sewerage	9	Op-die-Berg	Refurbishment	411	DWAF	541101341	2 500 000	-	-
Sewerage Infrastructure- C	20	Sewerage	All	Witzenberg	New	411	IHHSDG	541101211	153 054	-	-
Hamlet Sewerworks IHHSDG	20	Sewerage	4	PA Hamlet	New	411	IHHSDG	541150001	1 702 596	-	-
Sewer Works- Tulbagh	20	Sewerage	11	Tulbagh	Replacement	411	DWAF	541101981	1 500 000	-	-
Extensions Sewer Network	20	Sewerage	4	PA Hamlet	New	411	Rural Development	541140001	1 150 000	-	-
Sewer Network Replacement	20	Sewerage	All	Witzenberg	Replacement	411	CRR	541105061	100 000	200 000	300 000
Sewer Pumps- Replacement P	15	Sewerage	11	Tulbagh	Replacement	411	CRR	541101321	250 000	-	300 000
Upgrading And Replacement	15	Sewerage	All	Witzenberg	Replacement	411	CRR	541102011	-	-	300 000
Sewer Pumpstation Upgrade	20	Sewerage	All	Witzenberg	Replacement	411	CRR	541105071	-	300 000	-
Tools & Equipment-replaceme	7	Sewerage	All	Witzenberg	Replacement	411	CRR	541130001	7 321	7 687	20 000
Tulbagh Upgrade Sewer (mi	20	Sewerage	11	Tulbagh	Refurbishment	411	MIG	541102631	723 000	-	-
Network - Storm Water Upgradin	20	Stormwater management	All	Witzenberg	Replacement	413	CRR	541300131	300 000	300 000	-
Stormwater Infrastructure-	20	Stormwater management	All	Witzenberg	New	413	IHHSDG	541301221	10 460	-	-
Hamlet Stormwater IHHSDG	20	Stormwater management	4	PA Hamlet	New	413	IHHSDG	541380001	141 115	-	-
Tools & Equipment	7	Stormwater management	All	Witzenberg	NEW	413	CRR	541320001	7 931	8 328	-
Tools & Equipment-replaceme	7	Stormwater management	All	Witzenberg	Replacement	413	CRR	541330001	7 321	7 687	-

									74 942 595	46 785 079	30 674 621
Description	**Life Span**	**Department**	**Municipal Ward**	**Area**	**New/ Replacement**	**Department**	**Detailed Funding Source**	**Vote number**	**New Budget 2012-2013**	**New Budget 2013-2014**	**New Budget 2014-2015**
Upgrading Roads	10	Roads	11	Tulbagh	Refurbishment	414	MIG	541400611	7 952 348	5 379 576	3 652 455
Hamlet Roads IHHSDG	10	Roads	4	PA Hamlet	New	414	IHHSDG	541470001	851 298	-	-
Network-street	10	Roads	All	Witzenberg	Refurbishment	414	CRR	541401291	1 950 000	2 000 000	3 000 000
Wols Pine Valley Busroute	10	Roads	7	Wolseley	New	414	MIG	541402881	4 145 101	-	-
Streets - Chris Hani Housi	10	Roads	11	Tulbagh	New	414	IHHSDG	541401231	133 000	-	-
Upgrading Roads-see Mig	10	Roads	11	Tulbagh	Replacement	414	CRR	541400641	1 113 328	753 141	-
Upgrade Voortrekkerstreet	10	Roads	7	Wolseley	New	414	CRR	541402061	600 000	-	-
Wols Pine Valley Busroute- See Mig	10	Roads	7	Wolseley	New	414	CRR	541402891	568 123	-	-
Tools & Equipment	7	Roads	All	Witzenberg	NEW	414	CRR	541420001	7 271	7 635	-
Tools & Equipment-replaceme	7	Roads	All	Witzenberg	Replacement	414	CRR	541430001	7 271	7 635	-
Speed Bumps (Witzenberg)	10	Roads	All	Witzenberg	New	414	CRR	541400621	100 000		
Truck - 4 Ton Tipper	7	Roads	All	Witzenberg	Replacement	414	CRR	541400031	350 000	-	-
LDV 2 Ton Bakkie	7	Roads	All	Witzenberg	Replacement	414	CRR	541400041	200 000	-	-
Truck - Reinigingsdienste	7	Solid Waste (Dumping site)	All	Witzenberg	New	415	CRR	541500161	-	-	850 000
Permit Conditions Landfill Sites	30	Solid Waste (Dumping site)	11	Tulbagh	New	415	CRR	541500261	120 000		
Tools & Equipment-replaceme	7	Solid Waste (Garden)	All	Witzenberg	Replacement	416	CRR	541630001	7 166	7 525	-
Tools & Equipment	7	Solid Waste (Garden)	All	Witzenberg	New	416	CRR	541620001	2 900	3 045	-
Equipment	7	Solid Waste (Garden)	All	Witzenberg	New	416	CRR	541602111	360 000	200 000	200 000
Tools & Equipment-replaceme	7	Solid Waste (Removal)	All	Witzenberg	Replacement	417	CRR	541730001	6 101	6 406	-
Tools & Equipment	7	Solid Waste (Removal)	All	Witzenberg	New	417	CRR	541720001	4 444	4 666	-
Tulbagh Upper Reservoir	20	Water Storage	11	Tulbagh	New	418	MIG	541802121	144 386	4 100 000	2 346 166
Wols New Reservoir Pine Va	20	Water Storage	7	Wolseley	New	418	MIG	541802711	2 844 649	-	-
Wols New Reservoir Pine Va- See Mig	20	Water Storage	7	Wolseley	New	418	CRR	541802811	398 251	-	-
Bulk Water - Kleinberg Riv	20	Water Distribution	11	Tulbagh	New	419	RBIG	541902131	3 508 772	4 000 000	-
Hamlet Waterworks IHHSDG	20	Water Distribution	4	PA Hamlet	New	419	IHHSDG	541960001	1 702 596	-	-
Vredebes Bulk Water Supply	20	Water Distribution	5	Ceres	Replacement	419	MIG	541903801	-	2 692 217	4 500 000
Bulk Water Provision Hamle	20	Water Distribution	4	PA Hamlet	New	419	RBIG	541902151	7 017 544	-	-
Bulk Water - Kleinberg Rivier Own Contri	20	Water Distribution	11	Tulbagh	New	419	CRR	541909131	-	6 000 000	-
Bulk Water - Waterworks &	20	Water Distribution	11	Tulbagh	New	419	RBIG	541901241	7 500 000	-	-
Bulk Water - Schalkenbosch	20	Water Distribution	11	Tulbagh	New	419	RBIG	541902141	-	5 263 158	-
Water Infrastructure- Chri	20	Water Distribution	11	Tulbagh	New	419	IHHSDG	541901201	260 370	-	-
Network - Water Pipes & Va	20	Water Distribution	All	Witzenberg	Replacement	419	CRR	541901371	300 000	300 000	-
Netw-replace Haml Mainline (mi	20	Water Distribution	4	PA Hamlet	Replacement	419	CRR	541902781	-	589 980	-
Telemetric Systems	10	Water Distribution	5	Ceres	New	419	MSIG	541901051	300 000	-	-
Tools & Equipment	7	Water Distribution	All	Witzenberg	New	419	CRR	541920001	7 931	8 328	-
Tools & Equipment-replaceme	7	Water Distribution	All	Witzenberg	Replacement	419	CRR	541930001	7 321	7 687	-
Project Management Equipment	7	Project Management	All	Witzenberg	New	420	MIG	542000011	450 000	-	-

ANNEXURE 2 - RATES AND TARIFFS 2012 - 2013

TAXES, CHARGES AND TARIFFS - 2012 - 2013

Approved Tariff 2011 - 2012, including VAT		Description	VAT Status	Tariff 2012 - 2013, including VAT	Variance	Indicative tariffs 2013 - 2014, including VAT	Variance	Indicative tariffs 2014 - 2015, including VAT	Variance	Tariff 2012 - 2013, excluding VAT
	1.	**Property rates and other municipal taxes**								
	1.1.	**Property rates**								
R 0.00685	**1.1.1.**	***Residential Property***	0.0%	R 0.00740	8.03%	R 0.00784	5.95%	R 0.00831	6.00%	
R 0.00548	**1.1.2.**	***Informal Settlements***	0.0%	R 0.00592	8.03%	R 0.00628	6.08%	R 0.00666	6.00%	
R 0.01301	**1.1.3.**	***Business/Commercial Property***	0.0%	R 0.01405	7.99%	R 0.01489	5.98%	R 0.01578	6.00%	
R 0.01301	**1.1.4.**	***Industrial Property***	0.0%	R 0.01405	7.99%	R 0.01489	5.98%	R 0.01578	6.00%	
	1.1.5.	***Agricultural Properties:***								
R 0.00171	1.1.5.1	Bona fida Agricultural	0.0%	R 0.00185	8.19%	R 0.00196	5.95%	R 0.00208	6.00%	
R 0.00685	1.1.5.2	Agricultural/Business/Residential	0.0%	R 0.00740	8.03%	R 0.00784	5.95%	R 0.00831	6.00%	
R 0.00685	1.1.5.3	Agricultural/Industrial	0.0%	R 0.00740	8.03%	R 0.00784	5.95%	R 0.00831	6.00%	
R 0.01301	**1.1.6.**	**State owned Property**	0.0%	R 0.01405	7.99%	R 0.01489	5.98%	R 0.01578	6.00%	
R 0.01027	**1.1.7.**	**Vacant Land - Urban**	0.0%	R 0.01109	7.98%	R 0.01176	6.04%	R 0.01247	6.00%	
R 0.00171	**1.1.8.**	**Public Service Infrastructure**	0.0%	R 0.00185	8.00%	R 0.00196	6.00%	R 0.00208	6.00%	
R 0.00171	**1.1.9.**	**Public Benefit Organisations**	0.0%	R 0.00185	8.00%	R 0.00196	6.00%	R 0.00208	6.00%	
R 0.00856	**1.1.10.**	**Building clauses**	0.0%	R 0.00924	8.00%	R 0.00980	6.00%	R 0.01039	6.00%	
	2.	**Electricity Service Tariffs**								
	2.1	Service Availability:								
R 87.9400		Unimproved sites charge per month or part of it	14.0%	R 101.4600	15.37%	R 112.6200	11.00%	R 125.0100	11.00%	R 89.0000
	2.2	Residential customers								
	2.2.1	Single part tariff								
	2.2.1.1	Prepaid								
R 0.7725		0-50 kWh	14.0%	R 0.7866	1.83%	R 0.8700	10.60%	R 0.9700	11.49%	R 0.6900
R 0.8240		51-350 kWh	14.0%	R 0.9234	12.06%	R 1.0200	10.46%	R 1.1300	10.78%	R 0.8100
R 0.9785		351-600 kWh	14.0%	R 1.1856	21.17%	R 1.3200	11.34%	R 1.4700	11.36%	R 1.0400
R 1.1818		601-800 kWh	14.0%	R 1.3680	15.76%	R 1.5200	11.11%	R 1.6900	11.18%	R 1.2000
R 1.2049		Above 800 kWh	14.0%	R 1.3680	13.54%	R 1.5200	11.11%	R 1.6900	11.18%	R 1.2000
	2.2.1.2	1 x 20 A								
R 0.8234		0-50 kWh	14.0%	R 0.8664	5.22%	R 0.9600	10.80%	R 1.0700	11.46%	R 0.7600
R 0.8783		51-350 kWh	14.0%	R 0.9690	10.33%	R 1.0800	11.46%	R 1.2000	11.11%	R 0.8500
R 1.0430		351-600 kWh	14.0%	R 1.1970	14.77%	R 1.3300	11.11%	R 1.4800	11.28%	R 1.0500
R 1.2351		601-800 kWh	14.0%	R 1.4022	13.53%	R 1.5600	11.25%	R 1.7300	10.90%	R 1.2300
R 1.2351		Above 800 kWh	14.0%	R 1.4022	13.53%	R 1.5600	11.25%	R 1.7300	10.90%	R 1.2300
	2.2.1.3	Single phase								
R 0.8004		0-50 kWh	14.0%	R 0.8436	5.40%	R 0.9400	11.43%	R 1.0400	10.64%	R 0.7400
R 0.8537		51-350 kWh	14.0%	R 0.9234	8.16%	R 1.0200	10.46%	R 1.1300	10.78%	R 0.8100
R 1.0138		351-600 kWh	14.0%	R 1.1400	12.45%	R 1.2700	11.40%	R 1.4100	11.02%	R 1.0000
R 1.1028		601-800 kWh	14.0%	R 1.2768	15.78%	R 1.4200	11.22%	R 1.5800	11.27%	R 1.1200
R 1.1543		Above 800 kWh	14.0%	R 1.2768	10.61%	R 1.4200	11.22%	R 1.5800	11.27%	R 1.1200
	2.2.1.4	Three phase								
R 0.8004		0-50 kWh	14.0%	R 0.8436	5.40%	R 0.9400	11.43%	R 1.0400	10.64%	R 0.7400
R 0.8537		51-350 kWh	14.0%	R 0.9234	8.16%	R 1.0200	10.46%	R 1.1300	10.78%	R 0.8100
R 1.0138		351-600 kWh	14.0%	R 1.1856	16.95%	R 1.3200	11.34%	R 1.4700	11.36%	R 1.0400
R 1.2168		601-800 kWh	14.0%	R 1.3680	12.43%	R 1.5200	11.11%	R 1.6900	11.18%	R 1.2000
R 1.2476		Above 800 kWh	14.0%	R 1.3680	9.65%	R 1.5200	11.11%	R 1.6900	11.18%	R 1.2000
	2.2.2	Two part tariff								
	2.2.2.1	Single phase								
R 365.45		Basic charge per month or part of it:	14.0%	R 365.94	0.13%	R 406.19	11.00%	R 450.87	11.00%	R 321.00
		Energy in c/kWh								
R 0.3920		0-50 kWh	14.0%	R 0.4902	25.05%	R 0.5400	10.16%	R 0.6000	11.11%	R 0.4300
R 0.4486		51-350 kWh	14.0%	R 0.5586	24.52%	R 0.6200	10.99%	R 0.6900	11.29%	R 0.4900
R 0.6183		351-600 kWh	14.0%	R 0.8094	30.91%	R 0.9000	11.19%	R 1.0000	11.11%	R 0.7100
R 0.7541		601-800 kWh	14.0%	R 0.8892	17.92%	R 0.9900	11.34%	R 1.1000	11.11%	R 0.7800
R 1.0740		Above 800 kWh	14.0%	R 1.0374	-3.41%	R 1.1500	10.85%	R 1.2800	11.30%	R 0.9100
	2.2.2.2	Three phase								
R 390.89		Basic charge per month or part of it:	14.0%	R 391.02	0.03%	R 434.03	11.00%	R 481.77	11.00%	R 343.00
		Energy in c/kWh								
R 0.3602		0-50 kWh	14.0%	R 0.4104	13.94%	R 0.4600	12.09%	R 0.5100	10.87%	R 0.3600
R 0.4168		51-350 kWh	14.0%	R 0.4674	12.14%	R 0.5200	11.25%	R 0.5800	11.54%	R 0.4100
R 0.5866		351-600 kWh	14.0%	R 0.6840	16.60%	R 0.7600	11.11%	R 0.8400	10.53%	R 0.6000
R 0.7223		601-800 kWh	14.0%	R 0.7980	10.48%	R 0.8900	11.53%	R 0.9900	11.24%	R 0.7000
R 1.0740		Above 800 kWh	14.0%	R 1.1970	11.45%	R 1.3300	11.11%	R 1.4800	11.28%	R 1.0500

ANNEXURE 2 - RATES AND TARIFFS 2012 - 2013

TAXES, CHARGES AND TARIFFS - 2012 - 2013

Approved Tariff 2011 - 2012, including VAT		Description	VAT Status	Tariff 2012 - 2013, including VAT	Variance	Indicative tariffs 2013 - 2014, including VAT	Variance	Indicative tariffs 2014 - 2015, including VAT	Variance	Tariff 2012 - 2013, excluding VAT
	2.3	Commercial customers								
	2.3.1	Prepaid customers								
R 0.00	2.3.1.1	Basic charge per month or part of it:	14.0%		#DIV/0!	R 0.0000	#DIV/0!	R 0.0000	#DIV/0!	R 0.0000
		The basic charge on prepaid commercial customers is not applicable to schools or church properties								
	2.3.1.2	Energy in c/kWh								
R 0.9057		0-600 kWh	14.0%	R 1.0830	19.58%	R 1.2000	10.80%	R 1.3300	10.83%	R 0.9500
R 1.5096		Above 600 kWh	14.0%	R 1.5732	4.21%	R 1.7500	11.24%	R 1.9400	10.86%	R 1.3800
	2.3.2	Single phase								
	2.3.2.1	Basic charge per month or part of it:								
R 180.75		20A - Connection	14.0%	R 237.48	31.39%	R 263.61	11.00%	R 292.61	11.00%	R 208.32
R 361.39		40A - Connection	14.0%	R 435.39	20.48%	R 483.28	11.00%	R 536.44	11.00%	R 381.92
R 482.53		60A - Connection	14.0%	R 564.03	16.89%	R 626.07	11.00%	R 694.94	11.00%	R 494.76
R 510.95		80A - Connection	14.0%	R 583.82	14.26%	R 648.04	11.00%	R 719.32	11.00%	R 512.12
R 583.76		100A - Connection	14.0%	R 825.44	41.40%	R 916.24	11.00%	R 1 017.03	11.00%	R 724.07
R 680.66		150A - Connection	14.0%	R 893.10	31.21%	R 991.34	11.00%	R 1 100.39	11.00%	R 783.42
R 767.01		200A - Connection	14.0%	R 1 022.10	33.26%	R 1 134.53	11.00%	R 1 259.33	11.00%	R 896.58
R 842.84		250A - Connection	14.0%	R 1 122.31	33.16%	R 1 245.76	11.00%	R 1 382.79	11.00%	R 984.48
R 1.0774	2.3.2.2	Energy in c/kWh	14.0%	R 1.1172	3.69%	R 1.2400	10.99%	R 1.3800	11.29%	R 0.9800
	2.3.3	Three phase								
	2.3.3.1	Basic charge per month or part of it:								
R 629.60		20A - Connection	14.0%	R 801.51	27.30%	R 889.68	11.00%	R 987.54	11.00%	R 703.08
R 810.38		40A - Connection	14.0%	R 900.46	11.12%	R 999.51	11.00%	R 1 109.46	11.00%	R 789.88
R 819.34		60A - Connection	14.0%	R 960.76	17.26%	R 1 066.44	11.00%	R 1 183.75	11.00%	R 842.77
R 927.78		80A - Connection	14.0%	R 1 028.42	10.85%	R 1 141.54	11.00%	R 1 267.11	11.00%	R 902.12
R 1 127.47		100A - Connection	14.0%	R 1 322.72	17.32%	R 1 468.22	11.00%	R 1 629.72	11.00%	R 1 160.28
R 1 462.21		150A - Connection	14.0%	R 1 623.34	11.02%	R 1 801.90	11.00%	R 2 000.11	11.00%	R 1 423.98
R 1 763.76		200A - Connection	14.0%	R 1 823.75	3.40%	R 2 024.36	11.00%	R 2 247.04	11.00%	R 1 599.78
R 1 857.86		250A - Connection	14.0%	R 1 863.83	0.32%	R 2 068.85	11.00%	R 2 296.42	11.00%	R 1 634.94
R 0.9429	2.3.2.2	Energy in c/kWh	14.0%	R 1.0374	10.02%	R 1.1500	10.85%	R 1.2800	11.30%	R 0.9100
	2.4	Agricultural customers								
	2.4.1	< 25 KVA								
R 319.11		Basic charge per month or part of it:	14.0%	R 419.19	31.36%	R 465.30	11.00%	R 516.48	11.00%	R 367.71
	2.4.2	25 KVA < = 50 KVA								
R 513.09		Basic charge per month or part of it:	14.0%	R 613.40	19.55%	R 680.87	11.00%	R 755.77	11.00%	R 538.07
	2.4.3	50 KVA < = 100 KVA								
R 761.41		Basic charge per month or part of it:	14.0%	R 877.30	15.22%	R 973.80	11.00%	R 1 080.92	11.00%	R 769.56
	2.4.4	Energy charge c/kWh								
R 1.3826		Energy in c/kWh < 1,000 units	14.0%	R 1.4820	7.19%	R 1.6500	11.34%	R 1.8300	10.91%	R 1.3000
R 0.8136		Energy in c/kWh > 1,000 units	14.0%	R 0.9348	14.90%	R 1.0400	11.25%	R 1.1500	10.58%	R 0.8200
	2.5	BULK CONSUMERS								
	2.5.1	Agricultural customers								
	2.5.1.1	*Time of use customers*								
	2.5.1.1.1	*< 1 MVA High tension*								
R 4 330.04		Basic charge per month or part of it	14.0%	R 5 202.44	20.15%	R 5 774.70	11.00%	R 6 409.92	11.00%	R 4 563.54
R 111.77		Demand charge R/KVA	14.0%	R 117.73	5.33%	R 130.68	11.00%	R 145.05	11.00%	R 103.27
		Energy charge c/kWh								
		In season								
R 1.9615		Peak time	14.0%	R 2.3256	18.56%	R 2.5800	10.94%	R 2.8600	10.85%	R 2.0400
R 0.5668		Standard	14.0%	R 0.6384	12.63%	R 0.7100	11.22%	R 0.7900	11.27%	R 0.5600
R 0.3453		Off- peak time	14.0%	R 0.3990	15.55%	R 0.4400	10.28%	R 0.4900	11.36%	R 0.3500
		Out of season								
R 0.6163		Peak time	14.0%	R 0.7068	14.68%	R 0.7800	10.36%	R 0.8700	11.54%	R 0.6200
R 0.4049		Standard	14.0%	R 0.4560	12.62%	R 0.5100	11.84%	R 0.5700	11.76%	R 0.4000
R 0.3250		Off- peak time	14.0%	R 0.3876	19.26%	R 0.4300	10.94%	R 0.4800	11.63%	R 0.3400
	2.5.1.1.2	*Low tension*								
R 3 631.68		Basic charge per month or part of it	14.0%	R 3 334.53	-8.18%	R 3 701.33	11.00%	R 4 108.48	11.00%	R 2 925.03
R 103.33		Demand charge R/KVA	14.0%	R 96.14	-6.96%	R 106.71	11.00%	R 118.45	11.00%	R 84.33
		Energy charge c/kWh								
		In season								
R 1.8283		Peak time	14.0%	R 2.4396	33.44%	R 2.7100	11.08%	R 3.0100	11.07%	R 2.1400
R 0.4819		Standard	14.0%	R 0.6726	39.57%	R 0.7500	11.51%	R 0.8300	10.67%	R 0.5900
R 0.2957		Off- peak time	14.0%	R 0.4218	42.64%	R 0.4700	11.43%	R 0.5200	10.64%	R 0.3700
		Out of season								
R 0.5763		Peak time	14.0%	R 0.7410	28.58%	R 0.8200	10.66%	R 0.9100	10.98%	R 0.6500
R 0.3456		Standard	14.0%	R 0.4788	38.54%	R 0.5300	10.69%	R 0.5900	11.32%	R 0.4200
R 0.3052		Off- peak time	14.0%	R 0.3990	30.73%	R 0.4400	10.28%	R 0.4900	11.36%	R 0.3500

ANNEXURE 2 - RATES AND TARIFFS 2012 - 2013

TAXES, CHARGES AND TARIFFS - 2012 - 2013

Approved Tariff 2011 - 2012, including VAT		Description	VAT Status	Tariff 2012 - 2013, including VAT	Variance	Indicative tariffs 2013 - 2014, including VAT	Variance	Indicative tariffs 2014 - 2015, including VAT	Variance	Tariff 2012 - 2013, excluding VAT
	2.5.1.2	*Normal*								
	2.5.1.2.1	*< 1 MVA High tension*								
R 4 330.04		Basic charge per month or part of it	14.0%	R 6 120.51	41.35%	R 6 793.77	11.00%	R 7 541.08	11.00%	R 5 368.87
R 111.77		*Demand charge R/KVA*	14.0%	R 200.36	79.26%	R 222.39	11.00%	R 246.85	11.00%	R 175.75
R 0.5668		Energy charge c/kWh	14.0%	R 0.5130	-9.49%	R 0.5700	11.11%	R 0.6300	10.53%	R 0.4500
	2.5.1.2.2	*Low tension*								
R 3 631.68		Basic charge per month or part of it	14.0%	R 2 932.50	-19.25%	R 3 255.08	11.00%	R 3 613.14	11.00%	R 2 572.37
R 143.62		*Demand charge R/KVA*	14.0%	R 169.38	17.94%	R 188.01	11.00%	R 208.69	11.00%	R 148.58
R 0.4819		Energy charge c/kWh	14.0%	R 0.5700	18.28%	R 0.6300	10.53%	R 0.7000	11.11%	R 0.5000
	2.5.2	Urban customers								
	2.5.2.1	*Time of use customers*								
	2.5.2.1.1	*> 1 MVA High tension*								
R 9 949.90		Basic charge per month or part of it	14.0%	R 10 891.39	9.46%	R 12 089.44	11.00%	R 13 419.28	11.00%	R 9 553.85
R 69.11		Demand charge R/KVA	14.0%	R 69.81	1.02%	R 77.49	11.00%	R 86.01	10.99%	R 61.24
		Energy charge c/kWh								
		In season								
R 2.7154		Peak time	14.0%	R 2.9868	9.99%	R 3.3200	11.16%	R 3.6900	11.14%	R 2.6200
R 0.7126		Standard	14.0%	R 0.8208	15.18%	R 0.9100	10.87%	R 1.0100	10.99%	R 0.7200
R 0.4797		Off- peak time	14.0%	R 0.5472	14.07%	R 0.6100	11.48%	R 0.6800	11.48%	R 0.4800
		Out of season								
R 0.8438		Peak time	14.0%	R 0.9918	17.54%	R 1.1000	10.91%	R 1.2200	10.91%	R 0.8700
R 0.5063		Standard	14.0%	R 0.5928	17.08%	R 0.6600	11.34%	R 0.7300	10.61%	R 0.5200
R 0.4390		Off- peak time	14.0%	R 0.4902	11.66%	R 0.5400	10.16%	R 0.6000	11.11%	R 0.4300
	2.5.2.1.2	*< 1 MVA High tension*								
R 7 539.99		Basic charge per month or part of it	14.0%	R 6 520.20	-13.53%	R 7 237.42	11.00%	R 8 033.54	11.00%	R 5 719.47
R 89.65		Demand charge R/KVA	14.0%	R 77.69	-13.34%	R 86.24	11.00%	R 95.73	11.00%	R 68.15
		Energy charge c/kWh								
		In season								
R 2.7940		Peak time	14.0%	R 3.0210	8.12%	R 3.3500	10.89%	R 3.7200	11.04%	R 2.6500
R 0.7306		Standard	14.0%	R 0.9348	27.95%	R 1.0400	11.25%	R 1.1500	10.58%	R 0.8200
R 0.4408		Off- peak time	14.0%	R 0.5472	24.14%	R 0.6100	11.48%	R 0.6800	11.48%	R 0.4800
		Out of season								
R 0.8682		Peak time	14.0%	R 1.0716	23.43%	R 1.1900	11.05%	R 1.3200	10.92%	R 0.9400
R 0.5192		Standard	14.0%	R 0.6726	29.55%	R 0.7500	11.51%	R 0.8300	10.67%	R 0.5900
R 0.4512		Off- peak time	14.0%	R 0.5244	16.22%	R 0.5800	10.60%	R 0.6400	10.34%	R 0.4600
	2.5.2.1.3	*Low tension*								
R 6 186.40		Basic charge per month or part of it	14.0%	R 6 020.20	-2.69%	R 6 682.43	11.00%	R 7 417.50	11.00%	R 5 280.88
R 90.65		Demand charge R/KVA	14.0%	R 95.48	5.32%	R 105.98	11.00%	R 117.64	11.00%	R 83.75
		Energy charge c/kWh								
		In season								
R 2.9773		Peak time	14.0%	R 3.1692	6.45%	R 3.5200	11.07%	R 3.9100	11.08%	R 2.7800
R 0.7831		Standard	14.0%	R 0.9234	17.92%	R 1.0200	10.46%	R 1.1300	10.78%	R 0.8100
R 0.4715		Off- peak time	14.0%	R 0.5130	8.80%	R 0.5700	11.11%	R 0.6300	10.53%	R 0.4500
		Out of season								
R 0.9231		Peak time	14.0%	R 1.0830	17.32%	R 1.2000	10.80%	R 1.3300	10.83%	R 0.9500
R 0.5554		Standard	14.0%	R 0.6954	25.21%	R 0.7700	10.73%	R 0.8500	10.39%	R 0.6100
R 0.4791		Off- peak time	14.0%	R 0.5358	11.83%	R 0.5900	10.12%	R 0.6500	10.17%	R 0.4700
	2.5.2.2	*Normal*								
	2.5.2.2.1	*> 1 MVA High tension*								
R 9 949.90		Basic charge per month or part of it	14.0%	R 9 088.17	-8.66%	R 10 087.87	11.00%	R 11 197.54	11.00%	R 7 972.08
R 69.11		*Demand charge R/KVA*	14.0%	R 90.47	30.91%	R 100.42	11.00%	R 111.47	11.00%	R 79.36
R 0.7126		Energy charge c/kWh	14.0%	R 0.7752	8.78%	R 0.8600	10.94%	R 0.9500	10.47%	R 0.6800
	2.5.2.2.2	*< 1 MVA High tension*								
R 7 164.71		Basic charge per month or part of it	14.0%	R 7 401.30	3.30%	R 8 215.44	11.00%	R 9 119.14	11.00%	R 6 492.37
R 85.18		*Demand charge R/KVA*	14.0%	R 96.12	12.85%	R 106.70	11.00%	R 118.44	11.00%	R 84.32
R 0.6960		Energy charge c/kWh	14.0%	R 0.7638	9.74%	R 0.8500	11.29%	R 0.9400	10.59%	R 0.6700
	2.5.2.2.3	*Low tension*								
R 5 761.83		Basic charge per month or part of it	14.0%	R 6 020.20	4.48%	R 6 682.43	11.00%	R 7 417.50	11.00%	R 5 280.88
R 84.44		*Demand charge R/KVA*	14.0%	R 92.40	9.42%	R 102.56	11.00%	R 113.84	11.00%	R 81.05
R 0.7314		Energy charge c/kWh	14.0%	R 0.8208	12.22%	R 0.9100	10.87%	R 1.0100	10.99%	R 0.7200
	2.6	Sport customers								
R 0.00		Basic charge per month or part of it								
R 1.1507		Energy charge c/kWh	14.0%	R 1.2882	11.95%	R 1.4300	11.01%	R 1.5900	11.19%	R 1.1300
	2.7	Streetlights								
R 0.00		Basic charge per month or part of it								
R 0.8994		Energy charge c/kWh	0.0%	R 1.1628	29.29%	R 1.2900	10.94%	R 1.4300	10.85%	R 1.1628

ANNEXURE 2 - RATES AND TARIFFS 2012 - 2013

TAXES, CHARGES AND TARIFFS - 2012 - 2013

Approved Tariff 2011 - 2012, including VAT		Description	VAT Status	Tariff 2012 - 2013, including VAT	Variance	Indicative tariffs 2013 - 2014, including VAT	Variance	Indicative tariffs 2014 - 2015, including VAT	Variance	Tariff 2012 - 2013, excluding VAT
	3.	**Refuse Service Tariffs**								
		(All Areas, excluding Op-die-Berg in respect of residential sites)								
	3.1.	**Minimum service charge per month or part of it is levied on improved commercial and industrial sites equal to tariff 3.2.1.**								
	3.2.	**Tariff per number of collections. 2 refuse bags (unit) per collection**								
R 153.43	**3.2.1**	1 Collection per week (more or less 2 refuse bags)	14.0%	**R 159.76**	4.13%	R 166.02	3.92%	R 172.66	4.00%	R 140.14
R 276.17	**3.2.2**	2 Collections per week (more or less 2 refuse bags per collection)	14.0%	**R 287.54**	4.12%	R 298.82	3.92%	R 310.77	4.00%	R 252.23
R 398.91	**3.2.3**	3 Collections per week (more or less 2 refuse bags per collection)	14.0%	**R 415.35**	4.12%	R 431.63	3.92%	R 448.90	4.00%	R 364.34
R 122.74	**3.2.4**	Additional units per collection	14.0%	**R 127.81**	4.13%	R 132.81	3.91%	R 138.12	4.00%	R 112.11
R 107.67	**3.2.5**	Informal settlements without an account (Flat rate)	0.0%	**R 112.11**		R 116.50	3.92%	R 121.16	4.00%	R 112.11
	3.2.6	Departmental tariffs:								
R 20.18	3.2.6.1	Dennebos	0.0%	**R 21.01**	4.11%	R 21.83	3.90%	R 22.70	4.00%	R 21.01
R 76.72	3.2.6.2	All other	0.0%	**R 79.88**	4.12%	R 83.01	3.92%	R 86.33	4.00%	R 79.88
	3.2.7	**Exceptions:**								
R 153.43	3.2.7.1	Op-die-Berg residential sites 1 Collection per week (more or less 2 refuse bags)	14.0%	**R 159.76**	4.13%	R 166.02	3.92%	R 172.66	4.00%	R 140.14
	4.	**Sewerage Service Tariffs**								
	4.1.	**Septic Tank systems**								
		(All Areas, excluding rural area in respect of availability charge)								
	4.1.1.	**Service Availability charge per month or part of it:**								
R 22.86	4.1.1.1	Per site with improvements	14.0%	**R 23.80**	4.11%	R 24.74	3.95%	R 25.73	4.00%	R 20.88
	4.1.2.	**Suction charge:**								
R 34.00	**4.1.2.1.**	Urban areas charge per occasion	14.0%	**R 35.00**	2.94%	R 37.00	5.71%	R 38.48	4.00%	R 30.70
	4.1.2.2.	**Rural areas:**								
R 583.00	4.1.2.2.1	Charge per occasion	14.0%	**R 607.00**	4.12%	R 631.00	3.95%	R 656.24	4.00%	R 532.46
R 41.00	4.1.2.2.2	Charge per kilometre	14.0%	**R 43.00**	4.88%	R 44.00	2.33%	R 45.76	4.00%	R 37.72
	4.2.	**Waterborne Sewerage systems**								
		(All Areas connected to the main sewerage system) (Where more than one service point exist on the same site and more than one or one water connection exists the tariff equal to the larges water connection will be applicable on every point of service)								
	4.2.1.	**Service Availability charge per month or part of it:**								
R 29.82	4.2.1.1	Unimproved sites	14.0%	**R 31.05**	4.12%	R 32.27	3.93%	R 33.56	4.00%	R 27.24
R 143.30	4.2.1.2	Water connection size: 0 - 25 mm	14.0%	**R 149.20**	4.12%	R 155.05	3.92%	R 161.25	4.00%	R 130.88
R 557.65	4.2.1.3	Water connection size: 26 - 50 mm	14.0%	**R 580.62**	4.12%	R 603.39	3.92%	R 627.53	4.00%	R 509.32
R 1 427.86	4.2.1.4	Water connection size: 51 - 80 mm	14.0%	**R 1 486.69**	4.12%	R 1 544.96	3.92%	R 1 606.76	4.00%	R 1 304.11
R 2 230.81	4.2.1.5	Water connection size: 81 - 100 mm	14.0%	**R 2 322.72**	4.12%	R 2 413.77	3.92%	R 2 510.32	4.00%	R 2 037.47
R 5 017.79	4.2.1.6	Water connection size: 101 - 150 mm	14.0%	**R 5 224.52**	4.12%	R 5 429.32	3.92%	R 5 646.49	4.00%	R 4 582.91
	4.2.2.	**Exceptions:**								
R 23 082.06	4.2.2.1	Obiqua Prison - Tulbagh	14.0%	**R 24 033.04**	4.12%	R 24 975.13	3.92%	R 25 974.14	4.00%	R 21 081.61
R 143.30	4.2.2.2	Schools - Op-die-Berg	14.0%	**R 149.20**	4.12%	R 155.05	3.92%	R 161.25	4.00%	R 130.88
R 143.30	4.2.2.3	Other sites - Op-die-Berg	14.0%	**R 149.20**	4.12%	R 155.05	3.92%	R 161.25	4.00%	R 130.88
R 51.63	4.2.2.4	Departmental tariff	0.0%	**R 53.76**	4.13%	R 55.87	3.92%	R 58.10	4.00%	R 53.76
Tariff increase by 9.32%	4.2.2.5	Special Contracts, for example Del monte as per	14.0%	**Tariff increase by 9.32%**		Tariff increase by 9.32%	9.32%	Tariff increase by 9.32%	9.32%	Tariff increase by 9.32%
R 94.87	4,2,2.6	Informal settlements without an account (Flat rate)	0.0%	**R 98.78**	4.12%	R 102.65	3.92%	R 106.76	4.00%	R 98.78
	5.	**Water service Tariffs**								
	5.1.	**Conventional Meters**								
		(All Areas)								
	5.1.1.	**Service Availability charge per month or part of it:**								
R 79.28	5.1.1.1	Unimproved sites	14.0%	**R 82.55**	4.12%	R 85.79	3.92%	R 89.22	4.00%	R 72.41
R 70.44	5.1.1.2	Water connection size: 0 - 25 mm	14.0%	**R 73.35**	4.13%	R 76.22	3.91%	R 79.27	4.00%	R 64.34
R 785.44	5.1.1.3	Water connection size: 26 - 50 mm	14.0%	**R 817.80**	4.12%	R 849.86	3.92%	R 883.85	4.00%	R 717.37
R 2 004.07	5.1.1.4	Water connection size: 51 - 80 mm	14.0%	**R 2 086.64**	4.12%	R 2 168.44	3.92%	R 2 255.18	4.00%	R 1 830.39
R 3 131.17	5.1.1.5	Water connection size: 81 - 100 mm	14.0%	**R 3 260.17**	4.12%	R 3 387.97	3.92%	R 3 523.49	4.00%	R 2 859.80
R 7 044.24	5.1.1.6	Water connection size: 101 - 150 mm	14.0%	**R 7 334.46**	4.12%	R 7 621.97	3.92%	R 7 926.85	4.00%	R 6 433.74
R 151 202.19	5.1.1.7	Clients with a consumption of more than 20,000 kl	14.0%	**R 157 431.72**	4.12%	R 163 603.04	3.92%	R 170 147.16	4.00%	R 138 098.00
R 172.45	5.1.1.8	Un-metered connections	14.0%	**R 179.55**	4.12%	R 186.58	3.92%	R 194.04	4.00%	R 157.50
	5.1.2	**Consumption per kiloliter**								
	5.1.2.1	**Block A (Aimed at residential and smaller commercial clients)**								
R 3.53		0-6 kl	14.0%	**R 3.68**	4.25%	R 3.83	4.08%	R 3.98	4.00%	R 3.23
R 5.95		7-30 kl	14.0%	**R 6.20**	4.20%	R 6.44	3.87%	R 6.70	4.00%	R 5.44
R 5.48		31-60 kl	14.0%	**R 5.71**	4.20%	R 5.94	4.03%	R 6.18	4.00%	R 5.01
R 5.14		61-300 kl	14.0%	**R 5.36**	4.28%	R 5.56	3.73%	R 5.78	4.00%	R 4.70
R 27.95		Above 300 kl	14.0%	**R 29.10**	4.11%	R 30.24	3.92%	R 31.45	4.00%	R 25.53
	5.1.2.2	**Block B (Aimed at larger commercial and smaller industrial clients)**								
R 7.28		0-300 kl	14.0%	**R 7.58**	4.12%	R 7.88	3.96%	R 8.20	4.00%	R 6.65
R 6.12		301-1000 kl	14.0%	**R 6.37**	4.08%	R 6.62	3.92%	R 6.88	4.00%	R 5.59
R 5.48		1001-8000 kl	14.0%	**R 5.71**	4.20%	R 5.94	4.03%	R 6.18	4.00%	R 5.01
R 5.14		Above 8000 kl	14.0%	**R 5.36**	4.28%	R 5.56	3.73%	R 5.78	4.00%	R 4.70
	5.1.2.3	**Block C (Aimed at larger industrial clients)**								
R 1.47		Consumption above 20,000 kl per month	14.0%	**R 1.53**	4.08%	R 1.58	3.27%	R 1.64	4.00%	R 1.34
	5.1.2.4	**Block D (Internal)**								
R 1.61		Departmental consumption	14.0%	**R 1.68**	4.35%	R 1.74	3.57%	R 1.81	4.00%	R 1.47

ANNEXURE 2 - RATES AND TARIFFS 2012 - 2013

TAXES, CHARGES AND TARIFFS - 2012 - 2013

Approved Tariff 2011 - 2012, including VAT		Description	VAT Status	Tariff 2012 - 2013, including VAT	Variance	Indicative tariffs 2013 - 2014, including VAT	Variance	Indicative tariffs 2014 - 2015, including VAT	Variance	Tariff 2012 - 2013, excluding VAT
	5.2.	**Prepaid Meters (All Areas)**								
	5.2.1.	**Water connection on site (Consumption per kiloliter)**								
R 3.53		0-6 kl	14.0%	**R 3.68**	4.25%	R 3.83	4.08%	R 3.98	4.00%	R 3.23
R 5.62		Bo 6 kl	14.0%	**R 5.85**	4.09%	R 6.08	3.93%	R 6.32	4.00%	R 5.13
R 559.00	**5.3.**	**"Leiwater beurte" (In Urban areas per mor**	14.0%	**R 593.00**	6.08%	R 629.00	6.07%	R 654.16	4.00%	R 693.00
R 58.95	**5.4.**	**Informal settlements without an account (Flat rate)**	0.0%	**R 61.38**	4.12%	R 63.79	3.93%	R 66.34	4.00%	R 61.38
	6.	**Other tariffs and charges**								
	6.1.	**CORPORATE SERVICES**								
R 356.00	6.1.1	Erection of banners (per application)	14.0%	**R 388.00**	8.99%	R 423.00	9.02%	R 448.38	6.00%	R 340.35
R 273.00	6.1.2	Erection of placards (deposit)	14.0%	**R 298.00**	9.16%	R 325.00	9.06%	R 344.50	6.00%	R 261.40
R 555.00	6.1.3	Cancellation of purchase agreement (Admin fee)	14.0%	**R 605.00**	9.01%	R 659.00	8.93%	R 698.54	6.00%	R 530.70
	6.1.4	Agenda and minutes of Council meetings						R 0.00		
R 93.00		001-400 g	14.0%	**R 101.00**	8.60%	R 110.00	8.91%	R 116.60	6.00%	R 88.60
R 104.00		401-500 g	14.0%	**R 113.00**	8.65%	R 123.00	8.85%	R 130.38	6.00%	R 99.12
R 120.00		501-600 g	14.0%	**R 131.00**	9.17%	R 143.00	9.16%	R 151.58	6.00%	R 114.91
R 129.00		601-700 g	14.0%	**R 141.00**	9.30%	R 154.00	9.22%	R 163.24	6.00%	R 123.68
R 161.00		701+ g	14.0%	**R 175.00**	8.70%	R 191.00	9.14%	R 202.46	6.00%	R 153.51
	6.1.5	Serving of summonses / warrants	14.0%							
R 247.00	6.1.6	Translation service (Per hour or part of it)	14.0%	**R 269.00**	8.91%	R 293.00	8.92%	R 310.58	6.00%	R 235.96
	6.1.7	Access to information	14.0%							
R 68.00	6.1.7.1	Fee payable when information is requested	14.0%	**R 74.00**	8.82%	R 81.00	9.46%	R 85.86	6.00%	R 64.91
	6.1.7.2	*Reproduction fees:*	14.0%							
R 1.20		Photocopies (A4 or part of it) per page	14.0%	**R 1.31**	9.17%	R 1.43	9.16%	R 1.52	6.00%	R 1.15
R 0.84		Print outs per copy	14.0%	**R 0.92**	9.52%	R 1.00	8.70%	R 1.06	6.00%	R 0.81
R 10.22		Information on a stiffy	14.0%	**R 11.14**	9.00%	R 12.14	8.98%	R 12.87	6.00%	R 9.77
R 76.00		Information on a CD	14.0%	**R 83.00**	9.21%	R 90.00	8.43%	R 95.40	6.00%	R 72.81
R 43.00		Transcription of visual image (A4 page) per page	14.0%	**R 47.00**	9.30%	R 51.00	8.51%	R 54.06	6.00%	R 41.23
R 111.00		Copy of a visual image (A4 page) per page	14.0%	**R 121.00**	9.01%	R 132.00	9.09%	R 139.92	6.00%	R 106.14
R 26.00		Transcription of an audio record (A4 page) per page	14.0%	**R 28.00**	7.69%	R 31.00	10.71%	R 32.86	6.00%	R 24.56
R 32.00		Copy of audio record	14.0%	**R 35.00**	9.38%	R 38.00	8.57%	R 40.28	6.00%	R 30.70
	6.1.7.3	Investigation fee								
R 29.00		To search for record and to prepare it for release -- per hour, first hour excluded	14.0%	**R 32.00**	10.34%	R 35.00	9.38%	R 37.10	6.00%	R 28.07
	6.1.7.4	Postage								
Actual cost		If record should be posted to applicant	14.0%							
	6.2.	**COMMUNITY SERVICES**								
	6.2.1	**Libraries**								
	6.2.1.1	Hall rental (per session or part thereof)								
		NOTE: a session is from								
R 84.00		08:00 - 13:00	14.0%	**R 92.00**	9.52%	R 100.00	8.70%	R 106.00	6.00%	R 80.70
R 93.00		13:00 - 18:00	14.0%	**R 101.00**	8.60%	R 110.00	8.91%	R 116.60	6.00%	R 88.60
R 104.00		18:00 - 00:00	14.0%	**R 113.00**	8.65%	R 123.00	8.85%	R 130.38	6.00%	R 99.12
		NB: The amenities are available without charge to youth-, service-,charity-community-,sport-, educational-, and governmental institutions, as well as for meetings of local political parties								
R 224.00	6.2.1.2	Kitchen rental (per session or part thereof)	14.0%	**R 244.00**		R 266.00	9.02%	R 281.96	6.00%	R 214.04
R 100.00		Deposit for kitchen rental	Exempt	**R 109.00**		R 119.00	9.17%	R 126.14	6.00%	
	6.2.2	**Traffic Services**								
	6.2.2.1	**Assistance: Escorting and Traffic assistance**								
		(Section 111 (3) (C) of the Road Traffic Act 1989, Act 29 of 1989, in conjunction with Section 22 of the Standard Regulation Re: Roads, Provincial Notice 562 of October 1987.								
	6.2.2.1.1	Profit Organisations: (per gathering/march)								
R 359.00		(a) First hour per law enforcement officer (normal working hours)	14.0%	**R 391.00**	8.91%	R 426.00	8.95%	R 451.56	6.00%	R 342.98
R 129.00		(b) Subsequent hourly tariff within normal working hours	14.0%	**R 141.00**	9.30%	R 154.00	9.22%	R 163.24	6.00%	R 123.68
R 451.00		(c) First hour per law enforcement officer (after hours & weekends)	14.0%	**R 492.00**	9.09%	R 536.00	8.94%	R 568.16	6.00%	R 431.58
R 179.00		(d) Subsequent hourly tariff after hours & weekends	14.0%	**R 195.00**	8.94%	R 213.00	9.23%	R 225.78	6.00%	R 171.05
R 111.00		(e) Per vehicle (less than 15 km)	14.0%	**R 121.00**	9.01%	R 132.00	9.09%	R 139.92	6.00%	R 106.14
R 5.13		(f) Per kilometre tariff thereafter	14.0%	**R 5.59**	8.97%	R 6.09	8.94%	R 6.46	6.00%	R 4.90
R 111.00		(g) Hiring of road signs and equipment	14.0%	**R 121.00**	9.01%	R 132.00	9.09%	R 139.92	6.00%	R 106.14
R 464.00		(h) Mega phone per day	14.0%	**R 500.00**	7.76%	R 2 045.00	309.00%	R 2 167.70	6.00%	R 438.60
	6.2.2.1.2	Non-Profit Organisations: (per gathering/march)								
R 129.00		(a) First hour per law enforcement officer (normal working hours)	14.0%	**R 141.00**	9.30%	R 154.00	9.22%	R 163.24	6.00%	R 123.68
R 68.00		(b) Subsequent hourly tariff within normal working hours	14.0%	**R 74.00**	8.82%	R 81.00	9.46%	R 85.86	6.00%	R 64.91
R 171.00		(c) First hour per law enforcement officer (after hours & weekends)	14.0%	**R 186.00**	8.77%	R 203.00	9.14%	R 215.18	6.00%	R 163.16
R 104.00		(d) Subsequent hourly tariff after hours & weekends	14.0%	**R 113.00**	8.65%	R 123.00	8.85%	R 130.38	6.00%	R 99.12
R 68.00		(e) Per vehicle (less than 15 km)	14.0%	**R 74.00**	8.82%	R 81.00	9.46%	R 85.86	6.00%	R 64.91
R 5.13		(f) Per kilometre tariff thereafter	14.0%	**R 5.59**	8.97%	R 6.09	8.94%	R 6.46	6.00%	R 4.90
R 51.00		(g) Hiring of road signs and equipment	14.0%	**R 56.00**	9.80%	R 61.00	8.93%	R 64.66	6.00%	R 49.12
R 233.00		(h) Mega phone per day	14.0%	**R 250.00**	7.30%	R 1 027.00	310.80%	R 1 088.62	6.00%	R 219.30

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TAXES, CHARGES AND TARIFFS - 2012 - 2013

Approved Tariff 2011 - 2012, including VAT		Description	VAT Status	Tariff 2012 - 2013, including VAT	Variance	Indicative tariffs 2013 - 2014, including VAT	Variance	Indicative tariffs 2014 - 2015, including VAT	Variance	Tariff 2012 - 2013, excluding VAT
	6.2.2.2	**Dog Tax Tariffs**								
R 150.00	6.2.2.2.1	Male dog: per year or part thereof	14.0%	**R 150.00**		R 150.00	0.00%	R 159.00	6.00%	R 131.58
R 300.00	6.2.2.2.2	Bitch: per year or part thereof	14.0%	**R 300.00**		R 300.00	0.00%	R 318.00	6.00%	R 263.16
R 75.00	6.2.2.2.3	Sterilised/castrated (proof)	14.0%	**R 75.00**		R 75.00	0.00%	R 79.50	6.00%	R 65.79
Free	6.2.2.2.4	Euthanasia	14.0%							
50% of charges	6.2.2.2.5	Sterilisation/castration	14.0%							
	6.2.3	**Fire Brigade Service**								
		(In terms of Provincial Notice 396 of 11 June 1982)								
		No accounts will be render to informal areas								
	6.2.3.1	Call-outs (per call)								
R 326.00		(a) Medium Pump	14.0%	**R 355.00**	8.90%	R 387.00	9.01%	R 410.22	6.00%	R 311.40
R 137.00		(b) Small Pump	14.0%	**R 149.00**	8.76%	R 162.00	8.72%	R 171.72	6.00%	R 130.70
R 93.00		(c) Service vehicle	14.0%	**R 101.00**	8.60%	R 110.00	8.91%	R 116.60	6.00%	R 88.60
R 137.00		(d) Subsequent hourly tariff	14.0%	**R 149.00**	8.76%	R 162.00	8.72%	R 171.72	6.00%	R 130.70
	6.2.3.2	Water costs								
R 155.00		Pump rate per hour	14.0%	**R 169.00**	9.03%	R 184.00	8.88%	R 195.04	6.00%	R 148.25
	6.2.3.3	Personnel								
		Officers:								
R 133.00		Fire Brigade Officer (p/p per hour of part thereof)	14.0%	**R 146.00**	9.77%	R 161.00	10.27%	R 170.66	6.00%	R 128.07
R 104.00		Fire Brigade Reservist (p/p per hour of part thereof)	14.0%	**R 113.00**	8.65%	R 123.00	8.85%	R 130.38	6.00%	R 99.12
R 88.00		Temporary emergency personnel	14.0%	**R 110.00**	25.00%	R 97.00	-11.82%	R 102.82	6.00%	R 96.49
	6.2.3.4	Other								
R 137.00		(a) Fire extinguisher	14.0%	**R 149.00**	8.76%	R 162.00	8.72%	R 171.72	6.00%	R 130.70
R 76.00		(b) Foam (per litre)	14.0%	**R 83.00**	9.21%	R 90.00	8.43%	R 95.40	6.00%	R 72.81
R 111.00		(c) Breathing (per officer)	14.0%	**R 121.00**	9.01%	R 132.00	9.09%	R 139.92	6.00%	R 106.14
R 30.00		(d) Other equipment	14.0%	**R 38.00**	26.67%	R 33.00	-13.16%	R 34.98	6.00%	R 33.33
R 187.00		(e) Consumables	14.0%	**R 204.00**	9.09%	R 222.00	8.82%	R 235.32	6.00%	R 178.95
	6.2.3.5	Administrative costs (per incident)	14.0%							
R 1 000.00	**6.2.4**	**Filling of swimming pools** (per pool)	14.0%	**R 1 090.00**	9.00%	R 1 188.00	8.99%	R 1 259.28	6.00%	R 956.14
	6.2.5	**Permits (**per permit)								
R 100.00		(a) Gas	14.0%	**R 109.00**	9.00%	R 119.00	9.17%	R 126.14	6.00%	R 95.61
R 100.00		(b) Liquid Fuel	14.0%	**R 109.00**	9.00%	R 119.00	9.17%	R 126.14	6.00%	R 95.61
R 100.00		(c) Tanks with hazardous contents (HAZCHEM)	14.0%	**R 109.00**	9.00%	R 119.00	9.17%	R 126.14	6.00%	R 95.61
R 100.00		(d) Spray-paint rooms	14.0%	**R 109.00**	9.00%	R 119.00	9.17%	R 126.14	6.00%	R 95.61
	6.2.6	**Refuse tariffs moved to Civil Services**								
	6.2.7	**Licensing and Regulating: Hiring and Sundry**								
R 460.00	6.2.7.1	Vendor stalls (uncovered)	14.0%	**R 501.00**	8.91%	R 546.00	8.98%	R 578.76	6.00%	R 439.47
R 742.00	6.2.7.2	Vendor stalls -- under cover (per annum)	14.0%	**R 809.00**	9.03%	R 882.00	9.02%	R 934.92	6.00%	R 709.65
	6.2.7.3	Clean-up of premises (cost recoverable from owner)	14.0%							
	6.2.8	**Holiday Resorts**								
R 450.00		Deposit for hiring C & D types Chalets at Pine Forest (*Dennebos*)	Exempt	**R 450.00**	0.00%	R 535.00	18.89%	R 567.10	6.00%	R 450.00
R 350.00		Deposit for hiring of other	Exempt	**R 350.00**	0.00%	R 416.00	18.86%	R 440.96	6.00%	R 350.00
	6.2.8.1	**Pine Forest (*Dennebos*)**								
	6.2.8.1.1	Administrative levy for cancellation of booking								
25.00%		(% of rental amount, no maximum)	14.0%	**25.00%**	0.00%	25.00%	0.00%	25.00%	0.00%	25.00%
	6.2.8.1.2	**Camping (per stand per night)**								
R 254.00		High season	14.0%	**R 270.00**	6.30%	R 315.00	16.67%	R 333.90	6.00%	R 236.84
R 166.00		In season	14.0%	**R 176.00**	6.02%	R 206.00	17.05%	R 218.36	6.00%	R 154.39
R 101.00		Out of season	14.0%	**R 108.00**	6.93%	R 122.00	12.96%	R 129.32	6.00%	R 94.74
R 356.00		Deposit	Exempt	**R 350.00**	-1.69%	R 431.00	23.14%	R 456.86	6.00%	R 350.00
	6.2.8.1.3	**Annual Booking Fee**								
R 8 263.60		A-type - caravan premises	14.0%	**R 9 090.00**	10.00%	R 9 285.60	2.15%	R 10 214.16	10.00%	R 7 973.68
R 6 497.00		B-type - caravan premises	14.0%	**R 7 147.00**	10.00%	R 7 300.00	2.14%	R 8 030.00	10.00%	R 6 269.30
R 6 044.40		C-type - caravan premises	14.0%	**R 6 649.00**	10.00%	R 6 789.00	2.11%	R 7 467.90	10.00%	R 5 832.46
R 8 263.60		Log Cabins	14.0%	**R 9 090.00**	10.00%	R 9 285.60	2.15%	R 10 214.16	10.00%	R 7 973.68
R 6 343.70		A-type - Lost City	14.0%	**R 6 979.00**	10.01%	R 7 128.45	2.14%	R 7 841.30	10.00%	R 6 121.93
R 5 321.70		B-type - Lost City	14.0%	**R 5 854.00**	10.00%	R 5 978.70	2.13%	R 6 576.57	10.00%	R 5 135.09
Scrap tariff		Deposit	Exempt							
	6.2.8.1.4	**Chalets (per unit per night)**								
	6.2.8.1.4.1	**A - Type**								
R 356.00		High season (24 December to 9 January & Easter weekend)	14.0%	**R 378.00**	6.18%	R 400.00	5.82%	R 424.00	6.00%	R 331.58
R 317.00		In season	14.0%	**R 337.00**	6.31%	R 356.00	5.64%	R 377.36	6.00%	R 295.61
R 260.00		Out of season	14.0%	**R 276.00**	6.15%	R 293.00	6.16%	R 310.58	6.00%	R 242.11
	6.2.8.1.4.2	**B - Type**								
R 581.00		High season (24 December to 9 January & Easter weekend)	14.0%	**R 616.00**	6.02%	R 653.00	6.01%	R 692.18	6.00%	R 540.35
R 471.00		In season	14.0%	**R 500.00**	6.16%	R 529.00	5.80%	R 560.74	6.00%	R 438.60
R 366.00		Out of season	14.0%	**R 388.00**	6.01%	R 411.00	5.93%	R 435.66	6.00%	R 340.35
	6.2.8.1.4.3	**C - Type**								
R 832.00		High season (24 December to 9 January & Easter weekend)	14.0%	**R 882.00**	6.01%	R 935.00	6.01%	R 991.10	6.00%	R 773.68
R 794.00		In season	14.0%	**R 842.00**	6.05%	R 893.00	6.06%	R 946.58	6.00%	R 738.60
R 438.00		Out of season	14.0%	**R 465.00**	6.16%	R 492.00	5.81%	R 521.52	6.00%	R 407.89
	6.2.8.1.4.4	**D - Type**								
R 752.00		High season (24 December to 9 January & Easter weekend)	14.0%	**R 798.00**	6.12%	R 845.00	5.89%	R 895.70	6.00%	R 700.00
R 631.00		In season	14.0%	**R 669.00**	6.02%	R 709.00	5.98%	R 751.54	6.00%	R 586.84
R 400.00		Out of season	14.0%	**R 424.00**	6.00%	R 449.00	5.90%	R 475.94	6.00%	R 371.93
	6.2.8.1.4.5	**E - Type**								
R 547.00		High season (24 December to 9 January & Easter weekend)	14.0%	**R 580.00**	6.03%	R 615.00	6.03%	R 651.90	6.00%	R 508.77
R 506.00		In season	14.0%	**R 537.00**	6.13%	R 568.00	5.77%	R 602.08	6.00%	R 471.05
R 326.00		Out of season	14.0%	**R 346.00**	6.13%	R 367.00	6.07%	R 389.02	6.00%	R 303.51

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Approved Tariff 2011 - 2012, including VAT		Description	VAT Status	Tariff 2012 - 2013, including VAT	Variance	Indicative tariffs 2013 - 2014, including VAT	Variance	Indicative tariffs 2014 - 2015, including VAT	Variance	Tariff 2012 - 2013, excluding VAT
	6.2.8.1.4.6	**F - Type**								
R 356.00		High season (24 December to 9 January & Easter weekend)	14.0%	**R 378.00**	6.18%	R 400.00	5.82%	R 424.00	6.00%	R 331.58
R 317.00		In season	14.0%	**R 337.00**	6.31%	R 356.00	5.64%	R 377.36	6.00%	R 295.61
R 260.00		Out of season	14.0%	**R 276.00**	6.15%	R 293.00	6.16%	R 310.58	6.00%	R 242.11
	6.2.8.1.4.7	**G - Type**								
R 835.00		High season (24 December to 9 January & Easter weekend)	14.0%	**R 886.00**	6.11%	R 938.00	5.87%	R 994.28	6.00%	R 777.19
R 666.00		In season	14.0%	**R 706.00**	6.01%	R 748.00	5.95%	R 792.88	6.00%	R 619.30
R 438.00		Out of season	14.0%	**R 465.00**	6.16%	R 492.00	5.81%	R 521.52	6.00%	R 407.89
	6.2.8.1.4.8	Long-term monthly rentals are based on the weekend tariff multiplied by four (4) plus 20 percent.								
	6.2.8.1.5	**Day Visitors - Entrance**								
R 58.00		Per person per day	14.0%	**R 62.00**	6.90%	R 66.00	6.45%	R 69.96	6.00%	R 54.39
R 55.00		Per vehicle per day	14.0%	**R 59.00**	7.27%	R 64.00	8.47%	R 67.84	6.00%	R 51.75
	6.2.8.1.6	**Sundry Tariffs**								
R 709.00		Conference Hall (deposit)	Exempt	**R 752.00**	6.06%	R 845.00	12.37%	R 895.70	6.00%	R 752.00
		Conference Hall hire: per session								
R 419.00		08:00 – 13.00	14.0%	**R 445.00**	6.21%	R 498.00	11.91%	R 527.88	6.00%	R 390.35
R 419.00		13:00 – 18:00	14.0%	**R 445.00**	6.21%	R 498.00	11.91%	R 527.88	6.00%	R 390.35
R 562.00		18:00 – 24:00	14.0%	**R 596.00**	6.05%	R 668.00	12.08%	R 708.08	6.00%	R 522.81
R 1 073.00		Conference Hall hire: per day	14.0%	**R 1 138.00**	6.06%	R 1 245.00	9.40%	R 1 319.70	6.00%	R 998.25
		Renting of Recreational Halls to sports clubs (local):								
R 293.00		Deposit	Exempt	**R 311.00**	6.14%	R 354.00	13.83%	R 375.24	6.00%	R 311.00
R 927.00		Annual tariff	14.0%	**R 983.00**	6.04%	R 1 081.00	9.97%	R 1 145.86	6.00%	R 862.28
R 67.00		Bedding hiring: per set per week (chalets)	14.0%	**R 67.00**	0.00%	R 80.00	19.40%	R 84.80	6.00%	R 58.77
		Entrance (Local Residents)								
R 137.00		Clip cards - Local residence in Witzenberg area entrance (5 Visits)	14.0%	**R 137.00**	0.00%	R 168.00	22.63%	R 178.08	6.00%	R 120.18
		Local residence in Witzenberg annual tickets (per ticket)								
R 283.00		Adults	14.0%	**R 300.00**	6.01%	R 342.00	14.00%	R 362.52	6.00%	R 263.16
R 209.00		Children	14.0%	**R 222.00**	6.22%	R 253.00	13.96%	R 268.18	6.00%	R 194.74
R 196.00		Vehicles	14.0%	**R 208.00**	6.12%	R 234.00	12.50%	R 248.04	6.00%	R 182.46
R 50.00		Clip cards - Recreational facilities 5 clips per ticket	14.0%	**R 53.00**		R 60.00	13.21%	R 63.60	6.00%	R 46.49
		Laundromat facilities								
R 40.00		Per 8kg, excluding washing power	14.0%	**R 43.00**		R 48.00	11.63%	R 50.88	6.00%	R 37.72
	6.2.8.2	**Klipriver Park (Closed)**								
	6.2.8.3	**Discounts - Both Resorts**								
		The following discounts will be allowed on booking by:								
		Pensioners - less 50% during off-season and midweek periods out of peak season								
		Registered Caravan Clubs and Club members - less 10% in periods out of peak season								
		Midweek in- and off season - less 25%								
		Students accompanied by parents - less 12% on day visitor fee								
	6.2.9	**Swimming Pools**								
		All swimming pools in Witzenberg								
R 6.00		Entrance: Adults	14.0%	**R 6.00**	0.00%	R 7.30	21.67%	R 7.74	6.00%	R 5.26
R 1.00		Children (school-going)	14.0%	**R 1.00**	0.00%	R 1.20	20.00%	R 1.27	6.00%	R 0.88
R 120.00		Season tickets	14.0%	**R 128.00**	6.67%	R 146.00	14.06%	R 154.76	6.00%	R 112.28
R 110.00		Annual fee per School (Only for School activities)	14.0%	**R 117.00**	6.36%	R 131.00	11.97%	R 138.86	6.00%	R 102.63
R 500.00		Annual fee per Service providers for Swimming training/lessons (Allow all trainees entry free)	14.0%	**R 530.00**		R 594.00	12.08%	R 629.64	6.00%	R 464.91
	6.2.1	**Sports grounds**								
	6.2.10.1	**All sports grounds in Witzenberg**								
R 47.00		School practices (per practice)	14.0%	**R 50.00**	6.38%	R 56.00	12.00%	R 59.36	6.00%	R 43.86
R 40.00		If the school book the practices at the beginning of year and pay in full for all practices. (per practice) No refunds	14.0%	**R 44.00**		R 48.50	10.23%	R 51.41	6.00%	R 38.60
R 95.00		School matches (per match)	14.0%	**R 104.00**	9.47%	R 113.00	8.65%	R 119.78	6.00%	R 91.23
R 95.00		Sports clubs (per practice)	14.0%	**R 104.00**	9.47%	R 113.00	8.65%	R 119.78	6.00%	R 91.23
R 70.00		If the sport club book the practices at the beginning of year and pay in full for all practices. (per practice) No refunds	14.0%	**R 77.00**		R 84.70	10.00%	R 89.78	6.00%	R 67.54
R 203.00		Sports clubs (per match)	14.0%	**R 221.00**	8.87%	R 241.00	9.05%	R 255.46	6.00%	R 193.86
R 221.00		Other events	14.0%	**R 241.00**	9.05%	R 263.00	9.13%	R 278.78	6.00%	R 211.40
R 596.00		Festivals and Carnivals (per day)	14.0%	**R 650.00**	9.06%	R 709.00	9.08%	R 751.54	6.00%	R 570.18
R 240.00	**6.2.10.2**	**Deposit per event**	Exempt	**R 262.00**	9.17%	R 286.00	9.16%	R 303.16	6.00%	R 262.00
	6.2.11	**Community Halls and Town Halls**								
	6.2.11.1	**Non-local and Outside Organisations**								
	6.2.11.1.1	**Tulbagh Community Hall**								
		Concerts, Theatre productions and Film Shows								
R 767.00		Non-local Associations	14.0%	**R 836.00**	9.00%	R 911.00	8.97%	R 965.66	6.00%	R 733.33
		Conferences, Meetings, Gatherings, Church Services and Bazaars								
R 111.00		Non-local Associations (per session)	14.0%	**R 121.00**	9.01%	R 132.00	9.09%	R 139.92	6.00%	R 106.14
		Dances, Dinners, Birthdays, Celebrations, Receptions and Disco's								
R 938.00		Non-local Associations	14.0%	**R 1 022.00**	8.96%	R 1 114.00	9.00%	R 1 180.84	6.00%	R 896.49
		Shows, Exhibitions and Auctions								
R 767.00		Non-local Associations	14.0%	**R 836.00**	9.00%	R 911.00	8.97%	R 965.66	6.00%	R 733.33

ANNEXURE 2 - RATES AND TARIFFS 2012 - 2013

TAXES, CHARGES AND TARIFFS - 2012 - 2013

Approved Tariff 2011 - 2012, including VAT		Description	VAT Status	Tariff 2012 - 2013, including VAT	Variance	Indicative tariffs 2013 - 2014, including VAT	Variance	Indicative tariffs 2014 - 2015, including VAT	Variance	Tariff 2012 - 2013, excluding VAT
		Performances, Mannequin Parades, Cooking demo's and Debutant								
R 767.00		Non-local Associations	14.0%	**R 836.00**	9.00%	R 911.00	8.97%	R 965.66	6.00%	R 733.33
R 537.00		Deposit for all the above	14.0%	**R 585.00**	8.94%	R 638.00	9.06%	R 676.28	6.00%	R 513.16
R 68.00		Preparation of hall per hour	14.0%	**R 74.00**	8.82%	R 81.00	9.46%	R 85.86	6.00%	R 64.91
	6.2.11.1.2	**Tulbagh Town Hall**								
		Concerts, Theatre productions and Film Shows								
R 869.00		Non-local Associations	14.0%	**R 947.00**	8.98%	R 1 032.00	8.98%	R 1 093.92	6.00%	R 830.70
R 927.00		Deposit for above	Exempt	**R 1 010.00**	8.95%	R 1 101.00	9.01%	R 1 167.06	6.00%	R 1 010.00
		Local Organisations/Individuals								
	6.2.11.1.3	**Town Hall - Ceres**								
		Hall, stage and main toilets								
R 221.00		Morning	14.0%	**R 241.00**	9.05%	R 263.00	9.13%	R 278.78	6.00%	R 211.40
R 221.00		Afternoon	14.0%	**R 241.00**	9.05%	R 263.00	9.13%	R 278.78	6.00%	R 211.40
R 273.00		Evening	14.0%	**R 298.00**	9.16%	R 325.00	9.06%	R 344.50	6.00%	R 261.40
		Kitchen								
R 145.00		Morning	14.0%	**R 158.00**	8.97%	R 172.00	8.86%	R 182.32	6.00%	R 138.60
R 145.00		Afternoon	14.0%	**R 158.00**	8.97%	R 172.00	8.86%	R 182.32	6.00%	R 138.60
R 187.00		Evening	14.0%	**R 204.00**	9.09%	R 222.00	8.82%	R 235.32	6.00%	R 178.95
		Banqueting Hall: (only when not used in conjunction with kitchen) per session								
R 137.00		Morning	14.0%	**R 149.00**	8.76%	R 162.00	8.72%	R 171.72	6.00%	R 130.70
R 137.00		Afternoon	14.0%	**R 149.00**	8.76%	R 162.00	8.72%	R 171.72	6.00%	R 130.70
R 155.00		Evening	14.0%	**R 169.00**	9.03%	R 184.00	8.88%	R 195.04	6.00%	R 148.25
		Tariff 2: Public dances per session								
R 537.00		Hall, stage and toilets	14.0%	**R 585.00**	8.94%	R 638.00	9.06%	R 676.28	6.00%	R 513.16
		Tariff 3: Guarantee deposit								
R 927.00		Per function	Exempt	**R 1 010.00**	8.95%	R 1 101.00	9.01%	R 1 167.06	6.00%	R 1 010.00
		Tariff 4: equipment per occasion								
R 23.00		Hiring of table cloths (each, per day)	14.0%	**R 25.00**	8.70%	R 27.00	8.00%	R 28.62	6.00%	R 21.93
R 13.00		Hiring of tables (each, per day)	14.0%	**R 14.00**	7.69%	R 15.00	7.14%	R 15.90	6.00%	R 12.28
R 12.00		Hiring of cutlery (per dozen, per day)	14.0%	**R 13.00**	8.33%	R 14.00	7.69%	R 14.84	6.00%	R 11.40
		Tariff 5: reduced rates								
		50% discount to organisations that qualify								
		Tariff 6: Levy in respect of exceeding the vacating time								
		In the event of the hirer failing to vacate the hired premises within the applicable period, or by 13:00 of the following work day provided official authorisation thereto has been granted, an amount of R10 per hour will be levied until such time that the premises have been fully vacated								
		Tariff 7: Pianos per function								
R 129.00		Piano organ	14.0%	**R 141.00**	9.30%	R 154.00	9.22%	R 163.24	6.00%	R 123.68
R 145.00		Grand piano	14.0%	**R 158.00**	8.97%	R 172.00	8.86%	R 182.32	6.00%	R 138.60
		Tariff 8: Rehearsals (per rehearsal)								
		In respect of hall and stage only								
R 93.00		Morning: 10:00 - 12:00 (per rehearsal)	14.0%	**R 101.00**	8.60%	R 110.00	8.91%	R 116.60	6.00%	R 88.60
R 104.00		Evening: 18:00 - 20:00 (per rehearsal)	14.0%	**R 113.00**	8.65%	R 123.00	8.85%	R 130.38	6.00%	R 99.12
		Tariff 9: Changes to Bookings -- per booking								
		If notice of a change to a booking is given less than 30 days prior --- excepting when the change is occasioned by a request from Council --- a levy will be charged								
R 76.00		Levy	14.0%	**R 83.00**	9.21%	R 90.00	8.43%	R 95.40	6.00%	R 72.81
R 155.00		**Sound system for Town Hall (per occasion)**	14.0%	**R 169.00**	9.03%	R 184.00	8.88%	R 195.04	6.00%	R 148.25
	6.2.11.1.4	**Bella Vista Community Hall**								
		Tariff 1: Basic charges per session								
		Hall, stage and main toilets								
R 161.00		Morning	14.0%	**R 175.00**	8.70%	R 191.00	9.14%	R 202.46	6.00%	R 153.51
R 161.00		Afternoon	14.0%	**R 175.00**	8.70%	R 191.00	9.14%	R 202.46	6.00%	R 153.51
R 239.00		Evening	14.0%	**R 261.00**	9.21%	R 284.00	8.81%	R 301.04	6.00%	R 228.95
		Kitchen								
R 145.00		Morning	14.0%	**R 158.00**	8.97%	R 172.00	8.86%	R 182.32	6.00%	R 138.60
R 145.00		Afternoon	14.0%	**R 158.00**	8.97%	R 172.00	8.86%	R 182.32	6.00%	R 138.60
R 161.00		Evening	14.0%	**R 175.00**	8.70%	R 191.00	9.14%	R 202.46	6.00%	R 153.51
		Change rooms (excluding main toilets)								
R 43.00		Morning	14.0%	**R 47.00**	9.30%	R 51.00	8.51%	R 54.06	6.00%	R 41.23
R 43.00		Afternoon	14.0%	**R 47.00**	9.30%	R 51.00	8.51%	R 54.06	6.00%	R 41.23
R 84.00		Evening	14.0%	**R 92.00**	9.52%	R 100.00	8.70%	R 106.00	6.00%	R 80.70
		Tariff 2: Public dances per session								
R 546.00		Hall, stage and toilets	14.0%	**R 595.00**	8.97%	R 649.00	9.08%	R 687.94	6.00%	R 521.93
		Tariff 3: Guarantee deposit								
R 230.00		Per function --- excluding kitchen	14.0%	**R 251.00**	9.13%	R 274.00	9.16%	R 290.44	6.00%	R 220.18
R 927.00		Per function --- including kitchen	14.0%	**R 1 010.00**	8.95%	R 1 101.00	9.01%	R 1 167.06	6.00%	R 885.96
		Tariff 4: equipment per occasion								
R 23.00		Hiring of table cloths (each, per day)	14.0%	**R 25.00**	8.70%	R 27.00	8.00%	R 28.62	6.00%	R 21.93
R 13.00		Hiring of tables (each, per day)	14.0%	**R 14.17**	9.00%	R 15.45	9.03%	R 16.38	6.00%	R 12.43
R 12.00		Hiring of cutlery (per dozen, per day)	14.0%	**R 13.08**	9.00%	R 14.26	9.02%	R 15.12	6.00%	R 11.47
		Tariff 5: Reduced rates								
		50% discount to organisations that qualify								

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TAXES, CHARGES AND TARIFFS - 2012 - 2013

Approved Tariff 2011 - 2012, including VAT		Description	VAT Status	Tariff 2012 - 2013, including VAT	Variance	Indicative tariffs 2013 - 2014, including VAT	Variance	Indicative tariffs 2014 - 2015, including VAT	Variance	Tariff 2012 - 2013, excluding VAT
		Tariff 6: Levy in respect of exceeding the vacating time								
		In the event of the hirer failing to vacate the hired premises within the applicable period, or by 13:00 of the following work day provided official authorisation thereto has been granted, an amount of R10 per hour will be levied until such time that the premises have been fully vacated								
		Tariff 7: Pianos								
		Tariff 8: Rehearsals (per rehearsal)								
		In respect of hall and stage only								
R 60.00		Morning: 10:00 - 12:00 (per rehearsal)	14.0%	**R 65.00**	8.33%	R 71.00	9.23%	R 75.26	6.00%	R 57.02
R 84.00		Evening: 18:00 - 20:00 (per rehearsal)	14.0%	**R 92.00**	9.52%	R 100.00	8.70%	R 106.00	6.00%	R 80.70
		Tariff 9: Changes to Bookings -- per booking								
		If notice of a change to a booking is given less than 30 days prior --- excepting when the change is occasioned by a request from Council --- a levy will be charged								
R 68.00		Levy	14.0%	**R 74.00**	8.82%	R 81.00	9.46%	R 85.86	6.00%	R 64.91
	6.2.11.1.5	**Dreyer Hall**								
		Tariff 1: Basic charges per session								
		Hall, stage and main toilets								
R 145.00		Morning	14.0%	**R 158.00**	8.97%	R 172.00	8.86%	R 182.32	6.00%	R 138.60
R 145.00		Afternoon	14.0%	**R 158.00**	8.97%	R 172.00	8.86%	R 182.32	6.00%	R 138.60
R 197.00		Evening	14.0%	**R 215.00**	9.14%	R 234.00	8.84%	R 248.04	6.00%	R 188.60
		Kitchen								
R 51.00		Morning	14.0%	**R 56.00**	9.80%	R 61.00	8.93%	R 64.66	6.00%	R 49.12
R 51.00		Afternoon	14.0%	**R 56.00**	9.80%	R 61.00	8.93%	R 64.66	6.00%	R 49.12
R 60.00		Evening	14.0%	**R 65.00**	8.33%	R 71.00	9.23%	R 75.26	6.00%	R 57.02
		Change rooms (excluding main toilets)								
R 43.00		Morning	14.0%	**R 47.00**	9.30%	R 51.00	8.51%	R 54.06	6.00%	R 41.23
R 43.00		Afternoon	14.0%	**R 47.00**	9.30%	R 51.00	8.51%	R 54.06	6.00%	R 41.23
R 93.00		Evening	14.0%	**R 101.00**	8.60%	R 110.00	8.91%	R 116.60	6.00%	R 88.60
		Tariff 2: Public dances per session								
R 546.00		Hall, stage and toilets	14.0%	**R 595.00**	8.97%	R 649.00	9.08%	R 687.94	6.00%	R 521.93
R 208.00		**Tariff 3: Guarantee deposit per function**	Exempt	**R 227.00**	9.13%	R 247.00	8.81%	R 261.82	6.00%	R 227.00
		Tariff 4: Equipment								
		Tariff 5: Reduced rates								
		50% discount to organisations that qualify								
		Tariff 6: Levy in respect of exceeding the vacating time								
		In the event of the hirer failing to vacate the hired premises within the applicable period, or by 13:00 of the following work day provided official authorisation thereto has been granted, an amount of R10 per hour will be levied until such time that the premises have been fully vacated								
		Tariff 7: Pianos								
		Tariff 8: Rehearsals (per rehearsal)								
		In respect of hall and stage only								
R 43.00		Morning: 10:00 - 12:00 (per rehearsal)	14.0%	**R 47.00**	9.30%	R 51.00	8.51%	R 54.06	6.00%	R 41.23
R 68.00		Evening: 18:00 - 20:00 (per rehearsal)	14.0%	**R 74.00**	8.82%	R 81.00	9.46%	R 85.86	6.00%	R 64.91
		Tariff 9: Changes to Bookings -- per booking								
		If notice of a change to a booking is given less than 30 days prior --- excepting when the change is occasioned by a request from Council --- a levy will be charged								
R 68.00		Levy	14.0%	**R 74.00**	8.82%	R 81.00	9.46%	R 85.86	6.00%	R 64.91
	6.2.11.1.6	**Bella Vista Youth Centre and Polo cross Hall N'duli**								
		Tariff 1: Basic charges per session								
		Hall, stage and main toilets								
R 145.00		Morning	14.0%	**R 158.00**	8.97%	R 172.00	8.86%	R 182.32	6.00%	R 138.60
R 145.00		Afternoon	14.0%	**R 158.00**	8.97%	R 172.00	8.86%	R 182.32	6.00%	R 138.60
R 197.00		Evening	14.0%	**R 215.00**	9.14%	R 234.00	8.84%	R 248.04	6.00%	R 188.60
		Tariff 2: Public dances per session								
R 546.00		Hall, stage and toilets	14.0%	**R 595.00**	8.97%	R 649.00	9.08%	R 687.94	6.00%	R 521.93
R 208.00		**Tariff 3: Guarantee deposit per function**	Exempt	**R 227.00**	9.13%	R 247.00	8.81%	R 261.82	6.00%	R 227.00
		Tariff 4: Equipment								
		Tariff 5: Reduced rates								
		50% discount to organisations that qualify								
		Tariff 6: Levy in respect of exceeding the vacating time								
		In the event of the hirer failing to vacate the hired premises within the applicable period, or by 13:00 of the following work day provided official authorisation thereto has been granted, an amount of R10 per hour will be levied until such time that the premises have been fully vacated								

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TAXES, CHARGES AND TARIFFS - 2012 - 2013

Approved Tariff 2011 - 2012, including VAT		Description	VAT Status	Tariff 2012 - 2013, including VAT	Variance	Indicative tariffs 2013 - 2014, including VAT	Variance	Indicative tariffs 2014 - 2015, including VAT	Variance	Tariff 2012 - 2013, excluding VAT
		Tariff 7: Rehearsals (per rehearsal)								
		In respect of hall and stage only								
R 43.00		Morning: 10:00 - 12:00 (per rehearsal)	14.0%	**R 47.00**	9.30%	R 51.00	8.51%	R 54.06	6.00%	R 41.23
R 68.00		Evening: 18:00 - 20:00 (per rehearsal)	14.0%	**R 74.00**	8.82%	R 81.00	9.46%	R 85.86	6.00%	R 64.91
		Tariff 8: Changes to bookings --- per booking								
		If notice of a change to a booking is given less than 30 days prior --- excepting when the change is occasioned by a request from Council --- a levy will be charged								
R 76.00		Levy	14.0%	**R 83.00**	9.21%	R 90.00	8.43%	R 95.40	6.00%	R 72.81
	6.2.11.1.7	**N'duli New Hall**								
		Tariff 1: Basic charges per session								
		Hall, stage and main toilets								
R 171.00		Morning	14.0%	**R 186.00**	8.77%	R 203.00	9.14%	R 215.18	6.00%	R 163.16
R 171.00		Afternoon	14.0%	**R 186.00**	8.77%	R 203.00	9.14%	R 215.18	6.00%	R 163.16
R 239.00		Evening	14.0%	**R 261.00**	9.21%	R 284.00	8.81%	R 301.04	6.00%	R 228.95
		Kitchen								
R 76.00		Morning	14.0%	**R 83.00**	9.21%	R 90.00	8.43%	R 95.40	6.00%	R 72.81
R 76.00		Afternoon	14.0%	**R 83.00**	9.21%	R 90.00	8.43%	R 95.40	6.00%	R 72.81
R 111.00		Evening	14.0%	**R 121.00**	9.01%	R 132.00	9.09%	R 139.92	6.00%	R 106.14
		Change rooms (excluding main toilets)								
R 34.00		Morning	14.0%	**R 37.00**	8.82%	R 40.00	8.11%	R 42.40	6.00%	R 32.46
R 34.00		Afternoon	14.0%	**R 37.00**	8.82%	R 40.00	8.11%	R 42.40	6.00%	R 32.46
R 51.00		Evening	14.0%	**R 56.00**	9.80%	R 61.00	8.93%	R 64.66	6.00%	R 49.12
		Tariff 2: Public dances per session								
R 580.00		Hall, stage and toilets	14.0%	**R 632.00**	8.97%	R 689.00	9.02%	R 730.34	6.00%	R 554.39
R 300.00		**Tariff 3: Guarantee deposit per function**	Exempt	**R 327.00**	9.00%	R 356.00	8.87%	R 377.36	6.00%	R 327.00
		Tariff 4: Equipment								
		Tariff 5: Reduced rates								
		50% discount to organisations that qualify								
		Tariff 6: Levy in respect of exceeding the vacating time								
		In the event of the hirer failing to vacate the hired premises within the applicable period, or by 13:00 of the following work day provided official authorisation thereto has been granted, an amount of R10 per hour will be levied until such time that the premises have been fully vacated								
		Tariff 7: Rehearsals (per rehearsal)								
		In respect of hall and stage only								
R 68.00		Morning: 10:00 - 12:00 (per rehearsal)	14.0%	**R 74.00**	8.82%	R 81.00	9.46%	R 85.86	6.00%	R 64.91
R 84.00		Evening: 18:00 - 20:00 (per rehearsal)	14.0%	**R 92.00**	9.52%	R 100.00	8.70%	R 106.00	6.00%	R 80.70
		Tariff 8: Changes to bookings --- per booking								
		If notice of a change to a booking is given less than 30 days prior --- excepting when the change is occasioned by a request from Council --- a levy will be charged								
R 68.00		Levy	14.0%	**R 74.00**	8.82%	R 81.00	9.46%	R 85.86	6.00%	R 64.91
	6.2.11.1.8	**Prince Alfred's Hamlet Town Hall**								
R 34.00		**Tariff 1: Information sessions**	14.0%	**R 37.00**	8.82%	R 40.00	8.11%	R 42.40	6.00%	R 32.46
		Tariff 2: Welfare Functions								
		Tariff 3: Meetings								
R 43.00		Hire	14.0%	**R 47.00**	9.30%	R 51.00	8.51%	R 54.06	6.00%	R 41.23
R 134.00		Deposit	Exempt	**R 146.00**	8.96%	R 159.00	8.90%	R 168.54	6.00%	R 146.00
		Tariff 4: Weddings, dinners, receptions and dances								
R 580.00		Hire	14.0%	**R 632.00**	8.97%	R 689.00	9.02%	R 730.34	6.00%	R 554.39
R 658.00		Deposit	Exempt	**R 717.00**	8.97%	R 782.00	9.07%	R 828.92	6.00%	R 717.00
		Tariff 5: Church services and fundraisings								
R 299.00		Hire	14.0%	**R 326.00**	9.03%	R 355.00	8.90%	R 376.30	6.00%	R 285.96
R 420.00		Deposit	Exempt	**R 458.00**	9.05%	R 499.00	8.95%	R 528.94	6.00%	R 458.00
		Tariff 6: Sport practices								
R 137.00		Hire	14.0%	**R 149.00**	8.76%	R 162.00	8.72%	R 171.72	6.00%	R 130.70
R 240.00		Deposit	Exempt	**R 262.00**	9.17%	R 286.00	9.16%	R 303.16	6.00%	R 262.00
	6.2.11.1.9	**Prince Alfred's Hamlet Community Hall**								
R 34.00		**Tariff 1: Information sessions**	14.0%	**R 37.00**	8.82%	R 40.00	8.11%	R 42.40	6.00%	R 32.46
		Tariff 2: Welfare Functions								
		Tariff 3: Meetings								
R 43.00		Hire	14.0%	**R 47.00**	9.30%	R 51.00	8.51%	R 54.06	6.00%	R 41.23
R 105.00		Deposit	Exempt	**R 114.00**	8.57%	R 124.00	8.77%	R 131.44	6.00%	R 114.00
		Tariff 4: Weddings, dinners, receptions and dances								
R 555.00		Hire	14.0%	**R 605.00**	9.01%	R 659.00	8.93%	R 698.54	6.00%	R 530.70
R 598.00		Deposit	Exempt	**R 652.00**	9.03%	R 711.00	9.05%	R 753.66	6.00%	R 652.00
		Tariff 5: Church services and fundraisings								
R 299.00		Hire	14.0%	**R 326.00**	9.03%	R 355.00	8.90%	R 376.30	6.00%	R 285.96
R 420.00		Deposit	Exempt	**R 458.00**	9.05%	R 499.00	8.95%	R 528.94	6.00%	R 458.00
		Tariff 6: Sport practices								
R 68.00		Hire	14.0%	**R 74.00**	8.82%	R 81.00	9.46%	R 85.86	6.00%	R 64.91
R 329.00		Deposit	Exempt	**R 359.00**	9.12%	R 391.00	8.91%	R 414.46	6.00%	R 359.00

ANNEXURE 2 - RATES AND TARIFFS 2012 - 2013

TAXES, CHARGES AND TARIFFS - 2012 - 2013

Approved Tariff 2011 - 2012, including VAT		Description	VAT Status	Tariff 2012 - 2013, including VAT	Variance	Indicative tariffs 2013 - 2014, including VAT	Variance	Indicative tariffs 2014 - 2015, including VAT	Variance	Tariff 2012 - 2013, excluding VAT
	6.2.11.1.10	**Tulbagh Community Hall**								
		Indoor Sport								
R 1 109.00		Professional	14.0%	**R 1 209.00**	9.02%	R 1 318.00	9.02%	R 1 397.08	6.00%	R 1 060.53
R 639.00		Amateur	14.0%	**R 697.00**	9.08%	R 760.00	9.04%	R 805.60	6.00%	R 611.40
R 84.00		Practices -- per hour	14.0%	**R 92.00**	9.52%	R 100.00	8.70%	R 106.00	6.00%	R 80.70
R 449.00		Deposit	Exempt	**R 489.00**	8.91%	R 533.00	9.00%	R 564.98	6.00%	R 489.00
		Concerts, Theatre productions and Film Shows								
R 451.00		Local Associations	14.0%	**R 492.00**	9.09%	R 536.00	8.94%	R 568.16	6.00%	R 431.58
R 1 109.00		Professional / Private	14.0%	**R 1 209.00**	9.02%	R 1 318.00	9.02%	R 1 397.08	6.00%	R 1 060.53
R 449.00		Deposit	Exempt	**R 489.00**	8.91%	R 533.00	9.00%	R 564.98	6.00%	R 489.00
		Conferences, Meetings, Gatherings, Church Services and Bazaars								
R 93.00		Local Associations	14.0%	**R 101.00**	8.60%	R 110.00	8.91%	R 116.60	6.00%	R 88.60
R 374.00		Deposit	Exempt	**R 408.00**	9.09%	R 445.00	9.07%	R 471.70	6.00%	R 408.00
		Dances, Dinners, Birthdays, Celebrations, Receptions and Disco's								
R 717.00		Local Associations	14.0%	**R 782.00**	9.07%	R 852.00	8.95%	R 903.12	6.00%	R 685.96
R 1 082.00		Private	14.0%	**R 1 179.00**	8.96%	R 1 285.00	8.99%	R 1 362.10	6.00%	R 1 034.21
R 449.00		Deposit	Exempt	**R 489.00**	8.91%	R 533.00	9.00%	R 564.98	6.00%	R 489.00
		Shows, Exhibitions and Auctions								
R 767.00		Non-local Associations	14.0%	**R 836.00**	9.00%	R 911.00	8.97%	R 965.66	6.00%	R 733.33
		Local Associations								
R 494.00		Deposit	Exempt	**R 538.00**	8.91%	R 586.00	8.92%	R 621.16	6.00%	R 538.00
		Performances, Mannequin Parades, Cooking demo's and Debutant								
R 647.00		Non-local Associations	14.0%	**R 705.00**	8.96%	R 768.00	8.94%	R 814.08	6.00%	R 618.42
R 451.00		Local Associations	14.0%	**R 492.00**	9.09%	R 536.00	8.94%	R 568.16	6.00%	R 431.58
R 822.00		Deposit	Exempt	**R 896.00**	9.00%	R 977.00	9.04%	R 1 035.62	6.00%	R 896.00
R 68.00		**Preparation of hall per hour**	14.0%	**R 74.00**	8.82%	R 81.00	9.46%	R 85.86	6.00%	R 64.91
	6.2.11.2	**Local Organisations**								
	6.2.11.2.1	**Tulbagh Town Hall**								
		Deposit								
R 822.00		Main hall	Exempt	**R 896.00**	9.00%	R 977.00	9.04%	R 1 035.62	6.00%	R 896.00
R 263.00		Banqueting hall	Exempt	**R 287.00**	9.13%	R 313.00	9.06%	R 331.78	6.00%	R 287.00
R 263.00		Auditorium	Exempt	**R 287.00**	9.13%	R 313.00	9.06%	R 331.78	6.00%	R 287.00
R 143.00		Kitchen	Exempt	**R 156.00**	9.09%	R 170.00	8.97%	R 180.20	6.00%	R 156.00
R 247.00		Tables	Exempt	**R 269.00**	8.91%	R 293.00	8.92%	R 310.58	6.00%	R 269.00
		Hire:								
		Indoor Sport								
R 1 194.00		Professional	14.0%	**R 1 301.00**	8.96%	R 1 418.00	8.99%	R 1 503.08	6.00%	R 1 141.23
R 639.00		Amateur	14.0%	**R 697.00**	9.08%	R 760.00	9.04%	R 805.60	6.00%	R 611.40
R 171.00		Kitchen	14.0%	**R 186.00**	8.77%	R 203.00	9.14%	R 215.18	6.00%	R 163.16
		Concerts, Theatre productions and Film Shows								
R 392.00		Local Associations	14.0%	**R 427.00**	8.93%	R 465.00	8.90%	R 492.90	6.00%	R 374.56
R 1 109.00		Professional / Private	14.0%	**R 1 209.00**	9.02%	R 1 318.00	9.02%	R 1 397.08	6.00%	R 1 060.53
R 171.00		Kitchen	14.0%	**R 186.00**	8.77%	R 203.00	9.14%	R 215.18	6.00%	R 163.16
		Conferences, Meetings, Gatherings, Church Services and Bazaars								
R 392.00		Main hall	14.0%	**R 427.00**	8.93%	R 465.00	8.90%	R 492.90	6.00%	R 374.56
R 171.00		Banqueting hall	14.0%	**R 186.00**	8.77%	R 203.00	9.14%	R 215.18	6.00%	R 163.16
R 273.00		Auditorium	14.0%	**R 298.00**	9.16%	R 325.00	9.06%	R 344.50	6.00%	R 261.40
R 171.00		Kitchen	14.0%	**R 186.00**	8.77%	R 203.00	9.14%	R 215.18	6.00%	R 163.16
		Dances, Dinners, Birthdays, Celebrations, Receptions and Disco's								
R 1 022.00		Main hall	14.0%	**R 1 114.00**	9.00%	R 1 214.00	8.98%	R 1 286.84	6.00%	R 977.19
R 460.00		Banqueting hall	14.0%	**R 501.00**	8.91%	R 546.00	8.98%	R 578.76	6.00%	R 439.47
R 221.00		Kitchen	14.0%	**R 241.00**	9.05%	R 263.00	9.13%	R 278.78	6.00%	R 211.40
		Shows, Exhibitions and Auctions								
R 938.00		Main hall	14.0%	**R 1 022.00**	8.96%	R 1 114.00	9.00%	R 1 180.84	6.00%	R 896.49
R 451.00		Banqueting hall	14.0%	**R 492.00**	9.09%	R 536.00	8.94%	R 568.16	6.00%	R 431.58
R 221.00		Kitchen	14.0%	**R 241.00**	9.05%	R 263.00	9.13%	R 278.78	6.00%	R 211.40
		Performances, Mannequin Parades, Cooking demo's and Debutant								
R 938.00		Main hall	14.0%	**R 1 022.00**	8.96%	R 1 114.00	9.00%	R 1 180.84	6.00%	R 896.49
R 938.00		Banqueting hall	14.0%	**R 1 022.00**	8.96%	R 1 114.00	9.00%	R 1 180.84	6.00%	R 896.49
R 84.00		**Preparation of hall per hour**	14.0%	**R 92.00**	9.52%	R 100.00	8.70%	R 106.00	6.00%	R 80.70
R 14.00		**Tables: per table to maximum of R110.00**	14.0%	**R 15.00**	7.14%	R 16.00	6.67%	R 16.96	6.00%	R 13.16
	6.2.11.2.2	**Drostdy hall**								
R 289.00		Hire	14.0%	**R 315.00**	9.00%	R 343.00	8.89%	R 363.58	6.00%	R 276.32
R 247.00		Deposit	Exempt	**R 269.00**	8.91%	R 293.00	8.92%	R 310.58	6.00%	R 269.00
	6.2.11.2.3	**Montana Community Hall**								
		Concerts and stage performances								
R 419.00		Hire	14.0%	**R 457.00**	9.07%	R 498.00	8.97%	R 527.88	6.00%	R 400.88
R 366.00		Deposit	Exempt	**R 399.00**	9.02%	R 435.00	9.02%	R 461.10	6.00%	R 399.00
		Disco's and Dances								
R 674.00		Hire	14.0%	**R 735.00**	9.05%	R 801.00	8.98%	R 849.06	6.00%	R 644.74
R 449.00		Deposit	Exempt	**R 489.00**	8.91%	R 533.00	9.00%	R 564.98	6.00%	R 489.00
		Film shows, Wedding receptions and birthdays								
R 326.00		Hire	14.0%	**R 355.00**	8.90%	R 387.00	9.01%	R 410.22	6.00%	R 311.40
R 366.00		Deposit	Exempt	**R 399.00**	9.02%	R 435.00	9.02%	R 461.10	6.00%	R 399.00
		Meetings								
R 155.00		Hire	14.0%	**R 169.00**	9.03%	R 184.00	8.88%	R 195.04	6.00%	R 148.25
R 225.00		Deposit	Exempt	**R 245.00**	8.89%	R 267.00	8.98%	R 283.02	6.00%	R 245.00

ANNEXURE 2 - RATES AND TARIFFS 2012 - 2013

TAXES, CHARGES AND TARIFFS - 2012 - 2013

Approved Tariff 2011 - 2012, including VAT		Description	VAT Status	Tariff 2012 - 2013, including VAT	Variance	Indicative tariffs 2013 - 2014, including VAT	Variance	Indicative tariffs 2014 - 2015, including VAT	Variance	Tariff 2012 - 2013, excluding VAT
		Senior citizens' meetings and gatherings; Schools and Churches (Special Occasions)								
		Performances								
R 273.00		Hire	14.0%	**R 298.00**	9.16%	R 325.00	9.06%	R 344.50	6.00%	R 261.40
R 300.00		Deposit	Exempt	**R 327.00**	9.00%	R 356.00	8.87%	R 377.36	6.00%	R 327.00
		Exhibitions								
R 273.00		Hire	14.0%	**R 298.00**	9.16%	R 325.00	9.06%	R 344.50	6.00%	R 261.40
R 240.00		Deposit	Exempt	**R 262.00**	9.17%	R 286.00	9.16%	R 303.16	6.00%	R 262.00
		Bazaars								
R 171.00		Hire: Churches and Schools	14.0%	**R 186.00**	8.77%	R 203.00	9.14%	R 215.18	6.00%	R 163.16
R 299.00		Hire: Other	14.0%	**R 326.00**	9.03%	R 355.00	8.90%	R 376.30	6.00%	R 285.96
R 344.00		Deposit	Exempt	**R 375.00**	9.01%	R 409.00	9.07%	R 433.54	6.00%	R 375.00
R 60.00		**Kitchen**	14.0%	**R 65.00**	8.33%	R 71.00	9.23%	R 75.26	6.00%	R 57.02
R 76.00		**Montana Library Hall :** Per occasion (No Church Services)	14.0%	**R 83.00**	9.21%	R 90.00	8.43%	R 95.40	6.00%	R 72.81
R 93.00		**Stamper Street Hall :** (per occasion)	14.0%	**R 101.00**	8.60%	R 110.00	8.91%	R 116.60	6.00%	R 88.60
		NB: Once in a quarter the hall may be utilised, without charge, by political parties that are represented in Council, for their political meetings with the community. The political party concerned must however present its intent to the Municipal Manager, and consent is subject to the availability of the facility. Priority will be given to the order in which applications are received.								
		NB: The Municipal Manager may use his discretion to offer a hall free of any charge to Youth-, Service-, Charity-, Community-, Sport-, Educational- and State Institutions, and Senior Citizens.								
	6.2.12	**Cemeteries**								
		Tariffs								
	6.2.12.1	**Non-local residents**								
		All persons that were resident outside the Witzenberg Municipal jurisdiction.								
R 2 269.00		6 ft excavation: plot included	14.0%	**R 2 473.00**	8.99%	R 2 696.00	9.02%	R 2 857.76	6.00%	R 2 169.30
R 2 694.00		8 ft excavation: plot included	14.0%	**R 2 936.00**	8.98%	R 3 200.00	8.99%	R 3 392.00	6.00%	R 2 575.44
R 681.00		Re-burials: opening and closing of graves	14.0%	**R 742.00**	8.96%	R 809.00	9.03%	R 857.54	6.00%	R 650.88
R 230.00		Memorial plaque	14.0%	**R 251.00**	9.13%	R 274.00	9.16%	R 290.44	6.00%	R 220.18
	6.2.12.2	**Local residents**								
		All persons that were resident inside the Witzenberg Municipal jurisdiction.								
	6.2.12.2.1	**Indigent cases**								
		Town residents								
		Definition:								
		At the time of death the deceased had to be part of a household that was approved as an indigent case, also noted as such in the Financial system.								
		Rural residents								
		Definition:								
		At the time of death the deceased had to be part of a household of which the combined income did not exceed twice the State's Old-age Pension allowance, and that the deceased had resided in the house at that time.								
		Burials for indigent cases are free of charge, being funded from the Indigent Allocation at non-local tariffs.								
	6.2.12.2.2	**All other cases**								
R 255.00		Plot	14.0%	**R 278.00**	9.02%	R 303.00	8.99%	R 321.18	6.00%	R 243.86
R 810.00		6 ft excavation	14.0%	**R 883.00**	9.01%	R 962.00	8.95%	R 1 019.72	6.00%	R 774.56
R 869.00		8 ft excavation	14.0%	**R 947.00**	8.98%	R 1 032.00	8.98%	R 1 093.92	6.00%	R 830.70
R 392.00		Re-burials: opening and closing of graves	14.0%	**R 427.00**	8.93%	R 465.00	8.90%	R 492.90	6.00%	R 374.56
R 221.00		Memorial plaque	14.0%	**R 241.00**	9.05%	R 263.00	9.13%	R 278.78	6.00%	R 211.40
	6.2.13	**Dept. Parks -- private works -- equipment -- tariff per hour**								
R 43.00		Lawnmower: 450 mm (small) per hour	14.0%	**R 47.00**	9.30%	R 51.00	8.51%	R 54.06	6.00%	R 41.23
R 76.00		Lawnmower: 750 mm (large) per hour	14.0%	**R 83.00**	9.21%	R 90.00	8.43%	R 95.40	6.00%	R 72.81
R 60.00		Forest cutters (per hour)	14.0%	**R 65.00**	8.33%	R 71.00	9.23%	R 75.26	6.00%	R 57.02
R 60.00		Chain saws (per hour)	14.0%	**R 65.00**	8.33%	R 71.00	9.23%	R 75.26	6.00%	R 57.02
R 120.00		Bush cutters (per hour)	14.0%	**R 131.00**	9.17%	R 143.00	9.16%	R 151.58	6.00%	R 114.91
R 120.00		Trailers (per hour)	14.0%	**R 131.00**	9.17%	R 143.00	9.16%	R 151.58	6.00%	R 114.91
R 137.00		Spray pumps: Mechanical and triangular (per hou	14.0%	**R 149.00**	8.76%	R 162.00	8.72%	R 171.72	6.00%	R 130.70

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TAXES, CHARGES AND TARIFFS - 2012 - 2013

Approved Tariff 2011 - 2012, including VAT		Description	VAT Status	Tariff 2012 - 2013, including VAT	Variance	Indicative tariffs 2013 - 2014, including VAT	Variance	Indicative tariffs 2014 - 2015, including VAT	Variance	Tariff 2012 - 2013, excluding VAT
	6.3.	**FINANCIAL SERVICES**								
	6.3.1	**Administrative fees**								
R 84.00	6.3.1.1	Furnishing of evaluation- and / or clearance	14.0%	**R 92.00**	9.52%	R 100.00	8.70%	R 106.00	6.00%	R 80.70
	6.3.1.2	Valuations & deed search								
Split below	6.3.1.2.1	Re-evaluation of properties (per application)								
R 150.00		Residential properties	14.0%	**R 164.00**		R 179.00	9.15%	R 189.74	6.00%	R 143.86
R 725.00		Business properties	14.0%	**R 790.00**		R 861.00	8.99%	R 912.66	6.00%	R 692.98
R 900.00		Agricultural properties	14.0%	**R 981.00**		R 1 069.00	8.97%	R 1 133.14	6.00%	R 860.53
R 810.00		State owned properties	14.0%	**R 883.00**		R 962.00	8.95%	R 1 019.72	6.00%	R 774.56
R 75.00		Urban vacant land	14.0%	**R 82.00**		R 89.00	8.54%	R 94.34	6.00%	R 71.93
R 150.00		Other not specified above	14.0%	**R 164.00**		R 179.00	9.15%	R 189.74	6.00%	R 143.86
R 35.00	6.3.1.2.2	Deeds office search per erf	14.0%	**R 38.00**		R 41.00	7.89%	R 43.46	6.00%	R 33.33
	6.3.1.3	Tracing of any information older than six months. (per hour or part thereof)	14.0%							
R 34.20	6.3.1.4	Issuing of accounts' duplicates (per account)	14.0%	**R 37.30**	9.06%	R 40.70	9.12%	R 43.14	6.00%	R 32.72
R 326.00	6.3.1.5	Furnishing of name- and address list (per list) (per town)	14.0%	**R 355.00**	8.90%	R 387.00	9.01%	R 410.22	6.00%	R 311.40
R 68.00	6.3.1.6	Surcharge on *Refer to Drawer* cheques (per cheque)	14.0%	**R 74.00**	8.82%	R 81.00	9.46%	R 85.86	6.00%	R 64.91
R 24.70	6.3.1.7	Excess	14.0%	**R 26.90**	8.91%	R 29.30	8.92%	R 31.06	6.00%	R 23.60
	6.3.1.8	Recovery costs								
	6.3.1.8.1	Tariffs for processes and the serving of documentation by the Municipality								
R 27.00	6.3.1.8.1.1	Serving of a registered reminder (per reminder)	14.0%	**R 29.00**	7.41%	R 32.00	10.34%	R 33.92	6.00%	R 25.44
R 38.00	6.3.1.8.1.2	Stamp costs (per summons)	14.0%	**R 41.00**	7.89%	R 45.00	9.76%	R 47.70	6.00%	R 35.96
	6.3.1.8.1.3	Serving of summonses and/or writs (per serving)								
R 104.00		Inside the Witzenberg jurisdiction	14.0%	**R 113.00**	8.65%	R 123.00	8.85%	R 130.38	6.00%	R 99.12
R 247.00		Outside the Witzenberg jurisdiction	14.0%	**R 269.00**	8.91%	R 293.00	8.92%	R 310.58	6.00%	R 235.96
Complete costs levied by attorneys, VAT included	6.3.1.8.2	Levying of any legal costs								
	6.3.2	**Water**								
		Re-connection of suspended supply on request by consumer per connection								
R 76.00	6.3.2.1	(a) Urban areas	14.0%	**R 83.00**	9.21%	R 90.00	8.43%	R 95.40	6.00%	R 72.81
R 93.00		(b) Rural areas	14.0%	**R 101.00**	8.60%	R 110.00	8.91%	R 116.60	6.00%	R 88.60
	6.3.2.2	Re-connection after non-payment per suspension list - per connection								
R 30.00		(a) Urban areas	14.0%	**R 33.00**	10.00%	R 36.00	9.09%	R 38.16	6.00%	R 28.95
R 45.00		(b) Rural areas	14.0%	**R 49.00**	8.89%	R 53.00	8.16%	R 56.18	6.00%	R 42.98
	6.3.2.3	Special meter reading per reading per meter								
R 111.00		(a) Urban areas	14.0%	**R 121.00**	9.01%	R 132.00	9.09%	R 139.92	6.00%	R 106.14
R 171.00		(b) Rural areas	14.0%	**R 186.00**	8.77%	R 203.00	9.14%	R 215.18	6.00%	R 163.16
	6.3.2.5	**Tampering with meter connection**								
R 725.00		(a) In the event where a consumer's water supply has been cut and sealed with a cap and key, and such seal had been removed without the consent of the Municipality, the following charges for tampering will be levied against the consumer, no re-connection will be made unless the prescribed payment plus the cost of a Water demand device (if not yet installed) has been received.	14.0%	**R 790.00**	8.97%	R 861.00	8.99%	R 912.66	6.00%	R 692.98
R 1 450.00		(b) Where a consumer had made an illegal water connection in front of the meter, the supply will be disconnected immediately, and one of the following options will be exercised, depending on the consumer's choice: (i) A criminal charge to be laid by the SAPS, or (ii) An admission of guilt (see tariff attached) plus the cost of the damage and possible consumption be paid. (c) Where a consumer is guilty of a second offence in terms of an illegal water connection, the connection will be summarily removed and the matter will be handed to the SAPS.	14.0%	**R 1 581.00**	9.03%	R 1 723.00	8.98%	R 1 826.38	6.00%	R 1 386.84
	6.3.3	**Electricity**								
	6.3.3.1	Re-connections of cut supplies on request of consumers in terms of Article 28, per re-connection:								
R 76.00		(a) Urban areas	14.0%	**R 83.00**	9.21%	R 90.00	8.43%	R 95.40	6.00%	R 72.81
R 93.00		(b) Rural areas	14.0%	**R 101.00**	8.60%	R 110.00	8.91%	R 116.60	6.00%	R 88.60
	6.3.3.2	Re-connections of cut supplies on request of consumers in terms of Article 19, per re-connection:								
R 30.00		(a) Urban areas	14.0%	**R 33.00**	10.00%	R 36.00	9.09%	R 38.16	6.00%	R 28.95
R 45.00		(b) Rural areas	14.0%	**R 49.00**	8.89%	R 53.00	8.16%	R 56.18	6.00%	R 42.98
	6.3.3.3	Special meter reading as per Article 52(3) per reading per meter								
R 111.00		(a) Urban areas	14.0%	**R 121.00**	9.01%	R 132.00	9.09%	R 139.92	6.00%	R 106.14
R 171.00		(b) Rural areas	14.0%	**R 186.00**	8.77%	R 203.00	9.14%	R 215.18	6.00%	R 163.16
	6.3.3.4	Duplicate Identification Card: Pre-paid electricity, per card Damage to the AVM machine:	14.0%							
R 10.00				**R 11.00**	10.00%	R 12.00	9.09%	R 12.72	6.00%	R 9.65
		Damage to the AVM machine:								
	6.3.3.5	Fine for damage the AVM machine (per incident)	Exempt							
R 149.00				**R 162.00**	8.72%	R 177.00	9.26%	R 187.62	6.00%	R 162.00

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Approved Tariff 2011 - 2012, including VAT		Description	VAT Status	Tariff 2012 - 2013, including VAT	Variance	Indicative tariffs 2013 - 2014, including VAT	Variance	Indicative tariffs 2014 - 2015, including VAT	Variance	Tariff 2012 - 2013, excluding VAT
	6.3.4	**Deposits**								
R 1 271.00		Businesses	Exempt	**R 1 385.00**	8.97%	R 1 510.00	9.03%	R 1 600.60	6.00%	R 1 385.00
		Industries (Estimated on consumption)	Exempt							
		Residential clients	Exempt							
R 187.00		With pre-paid electricity and water meter	Exempt	**R 204.00**	9.09%	R 222.00	8.82%	R 235.32	6.00%	R 204.00
R 300.00		With only a pre-paid electricity meter	Exempt	**R 327.00**	9.00%	R 356.00	8.87%	R 377.36	6.00%	R 327.00
R 711.00		All other residential clients	Exempt	**R 775.00**	9.00%	R 845.00	9.03%	R 895.70	6.00%	R 775.00
	6.4.	**TECHNICAL SERVICES**								
	6.4.1.	**CIVIL SERVICES**								
	6.4.1.1	**Building Plan**								
R 12.00	**6.4.1.1.1**	Calculate on the gross covered area, to the nearest square meter - tariff per building plan per m² (Subject to the stipulation at 4.1.1.2 hereunder)	14.0%	**R 13.00**	8.33%	R 14.00	7.69%	R 14.84	6.00%	R 11.40
		Industrial/commercial tariff per building plan per m² (Subject to the stipulation at 4.1.1.2 hereunder)								
R 176.00		With a minimum building plan tariff	14.0%	**R 176.00**	0.00%	R 176.00	0.00%	R 186.56	6.00%	R 154.39
R 1 093.00		Building deposit	Exempt	**R 1 191.00**	8.97%	R 1 298.00	8.98%	R 1 375.88	6.00%	R 1 191.00
R 89.00		In the event of illegal building operations without an approved plan, a charge of three times the above building plan fees plus the following tariff per day that the plan is outstanding, will apply:	14.0%	**R 97.00**	8.99%	R 106.00	9.28%	R 112.36	6.00%	R 85.09
R 35.00		Disclosure of building plan information: Tariff per monthly report	14.0%	**R 38.00**	8.57%	R 41.00	7.89%	R 43.46	6.00%	R 33.33
		New buildings and additions for bona fide farming purposes								
		New buildings and additions to wine cellars, cooperative, industries, cold storages, schools, etc.								
		Minimum building fee								
		Small building works as defined in the National Building Regulations								
		Temporary structures								
		Extensions to expiry dates of approved building plans								
R 268.00	**6.4.1.1.2**	Swimming pools - per application, irrespective of the size of the pool. Fixed tariff per swimming pool.	14.0%	**R 292.00**	8.96%	R 318.00	8.90%	R 337.08	6.00%	R 256.14
	6.4.1.1.3	**Advertising signs application**								
R 1 280.00		Permitted third party advertising sign (<2,0m²) per board	14.0%	**R 1 395.00**	8.98%	R 1 521.00	9.03%	R 1 612.26	6.00%	R 1 223.68
R 2 133.00		Permitted third party advertising sign (>2,0m²) per board	14.0%	**R 2 325.00**	9.00%	R 2 534.00	8.99%	R 2 686.04	6.00%	R 2 039.47
R 171.00		Advertising sign, direction indicator or name sign on building (<1,0m²) per sign	14.0%	**R 186.00**	8.77%	R 203.00	9.14%	R 215.18	6.00%	R 163.16
R 596.00		Advertising sign, direction indicator or name sign on building (<5,0m²) per sign	14.0%	**R 650.00**	9.06%	R 709.00	9.08%	R 751.54	6.00%	R 570.18
R 1 280.00		Advertising sign, direction indicator or name sign on building (>5,0m²) per sign	14.0%	**R 1 395.00**	8.98%	R 1 521.00	9.03%	R 1 612.26	6.00%	R 1 223.68
R 255.00		Advertising sign, direction indicator or name sign, Free-standing or on Refuse bin (<1,0m²) per board	14.0%	**R 278.00**	9.02%	R 303.00	8.99%	R 321.18	6.00%	R 243.86
R 895.00		Advertising sign, direction indicator or name sign, Free-standing or on Refuse bin (<5,0m²) per board	14.0%	**R 976.00**	9.05%	R 1 064.00	9.02%	R 1 127.84	6.00%	R 856.14
R 1 706.00		Advertising sign, direction indicator or name sign, Free-standing or on Refuse bin (>5,0m²) per board	14.0%	**R 1 860.00**	9.03%	R 2 027.00	8.98%	R 2 148.62	6.00%	R 1 631.58
	6.4.1.2	**Sewerage**								
R 3 684.00		Sewerage connection, per connection	14.0%	**R 4 016.00**	9.01%	R 4 377.00	8.99%	R 4 639.62	6.00%	R 3 522.81
		100 mm - connection to the maximum of 10 m in length	14.0%							
R 3 693.00		150 mm - connection to the maximum of 10 m in length	14.0%	**R 4 025.00**	8.99%	R 4 387.00	8.99%	R 4 650.22	6.00%	R 3 530.70
R 193.00		> 10 m lengths (per meter)	14.0%	**R 210.00**	8.81%	R 229.00	9.05%	R 242.74	6.00%	R 184.21
		Sewerage blockages: per blockage	14.0%							
R 349.00		Week days	14.0%	**R 380.00**	8.88%	R 414.00	8.95%	R 438.84	6.00%	R 333.33
R 615.00		Weekends and Public Holidays - per call-out	14.0%	**R 670.00**	8.94%	R 730.00	8.96%	R 773.80	6.00%	R 587.72
		For the first 30 minutes	14.0%							
		Per 30 minutes or parts thereof after the first 30 minutes	14.0%							
	6.4.1.3	**Water**								
	6.4.1.3.1	Water connection (per connection)								
R 1 817.00		Size: To 20 mm	14.0%	**R 1 981.00**	9.03%	R 2 159.00	8.99%	R 2 288.54	6.00%	R 1 737.72
R 2 320.00		32 mm	14.0%	**R 2 529.00**	9.01%	R 2 757.00	9.02%	R 2 922.42	6.00%	R 2 218.42
R 2 644.00		40 mm	14.0%	**R 2 882.00**	9.00%	R 3 141.00	8.99%	R 3 329.46	6.00%	R 2 528.07
R 5 415.00		50 mm	14.0%	**R 5 902.00**	8.99%	R 6 433.00	9.00%	R 6 818.98	6.00%	R 5 177.19
R 6 072.00		80 mm	14.0%	**R 6 618.00**	8.99%	R 7 214.00	9.01%	R 7 646.84	6.00%	R 5 805.26
R 6 993.00		100 mm	14.0%	**R 7 622.00**	8.99%	R 8 308.00	9.00%	R 8 806.48	6.00%	R 6 685.96
R 13 475.00		150 mm	14.0%	**R 14 688.00**	9.00%	R 16 010.00	9.00%	R 16 970.60	6.00%	R 12 884.21
	6.4.1.3.2	Testing of water meters (per test per water meter)	14.0%							
R 193.00		Size: To 20 mm	14.0%	**R 210.00**	8.81%	R 229.00	9.05%	R 242.74	6.00%	R 184.21
R 193.00		32	14.0%	**R 210.00**	8.81%	R 229.00	9.05%	R 242.74	6.00%	R 184.21
R 1 626.00		40	14.0%	**R 1 772.00**	8.98%	R 1 931.00	8.97%	R 2 046.86	6.00%	R 1 554.39
R 3 027.00		50	14.0%	**R 3 299.00**	8.99%	R 3 596.00	9.00%	R 3 811.76	6.00%	R 2 893.86
R 5 026.00		80	14.0%	**R 5 478.00**	8.99%	R 5 971.00	9.00%	R 6 329.26	6.00%	R 4 805.26
		Refundable where meter is found to be faulty.								

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Approved Tariff 2011 - 2012, including VAT		Description	VAT Status	Tariff 2012 - 2013, including VAT	Variance	Indicative tariffs 2013 - 2014, including VAT	Variance	Indicative tariffs 2014 - 2015, including VAT	Variance	Tariff 2012 - 2013, excluding VAT
	6.4.1.4	**Civil**								
		Motor driveways								
R 1 227.00		Single driveways (3,5m max) each	14.0%	**R 1 337.00**	8.96%	R 1 457.00	8.98%	R 1 544.42	6.00%	R 1 172.81
R 2 217.00		Double driveways (7,0m max) each	14.0%	**R 2 417.00**	9.02%	R 2 635.00	9.02%	R 2 793.10	6.00%	R 2 120.18
R 409.00		Placement of bridging/kerbing (each)	14.0%	**R 446.00**	9.05%	R 486.00	8.97%	R 515.16	6.00%	R 391.23
		Private tarring								
R 342.00		Double sealing, including preparation, per square meter	14.0%	**R 373.00**	9.06%	R 407.00	9.12%	R 431.42	6.00%	R 327.19
R 419.00		Pre-mix, including preparation, per square meter	14.0%	**R 457.00**	9.07%	R 498.00	8.97%	R 527.88	6.00%	R 400.88
R 56.00		Float seal on covered areas, per square meter	14.0%	**R 61.00**	8.93%	R 66.00	8.20%	R 69.96	6.00%	R 53.51
		Any other private word (per quotation): Actual cost + 20 %	14.0%							
		Private work forms to be completed in all cases								
	6.4.1.5	**Plans: copies**								
R 60.00		Copies of plans per square meter size of plan	14.0%	**R 65.00**	8.33%	R 71.00	9.23%	R 75.26	6.00%	R 57.02
R 145.00		Copies: Sepia, per copy	14.0%	**R 158.00**	8.97%	R 172.00	8.86%	R 182.32	6.00%	R 138.60
R 171.00		Copies: Durester, per copy	14.0%	**R 186.00**	8.77%	R 203.00	9.14%	R 215.18	6.00%	R 163.16
R 6.80		A3 + A4 , per copy	14.0%	**R 7.40**	8.82%	R 8.10	9.46%	R 8.59	6.00%	R 6.49
	6.4.1.6	**Town Planning costs**								
		(In terms of Ordinance on Land Use Planning)								
R 922.00	6.4.1.6.1	Concessionary use, per application	14.0%	**R 1 005.00**	9.00%	R 1 095.00	8.96%	R 1 160.70	6.00%	R 881.58
R 922.00	6.4.1.6.2	Re-zoning, per property	14.0%	**R 1 005.00**	9.00%	R 1 095.00	8.96%	R 1 160.70	6.00%	R 881.58
	6.4.1.6.3	Departure Art 15(1)(a)(i)								
R 193.00		Erven <500m² per application	14.0%	**R 210.00**	8.81%	R 229.00	9.05%	R 242.74	6.00%	R 184.21
R 384.00		Erven 500m² - 750m² per application	14.0%	**R 419.00**	9.11%	R 457.00	9.07%	R 484.42	6.00%	R 367.54
R 922.00		Erven > 750m² per application	14.0%	**R 1 005.00**	9.00%	R 1 095.00	8.96%	R 1 160.70	6.00%	R 881.58
R 922.00		Section 15(1)(a)(ii)(temporary) per application	14.0%	**R 1 005.00**	9.00%	R 1 095.00	8.96%	R 1 160.70	6.00%	R 881.58
	6.4.1.6.4	Sub-divisions: per application								
R 922.00		Up to 20 erven	14.0%	**R 1 005.00**	9.00%	R 1 095.00	8.96%	R 1 160.70	6.00%	R 881.58
R 43.00		More than 20 erven (Tariff 4.6.4.1 plus tariff per erven)	14.0%	**R 47.00**	9.30%	R 51.00	8.51%	R 54.06	6.00%	R 41.23
	6.4.1.6.5	Contribution to external services - New Developments	14.0%							
		(bulk services per site)								
R 15 743.00		Tulbagh (Town area)	14.0%	**R 17 160.00**	9.00%	R 18 704.00	9.00%	R 19 826.24	6.00%	R 15 052.63
R 16 618.00		Tulbagh (Agricultural area, outside town area)	14.0%	**R 18 114.00**	9.00%	R 19 744.00	9.00%	R 20 928.64	6.00%	R 15 889.47
R 16 646.00		P A Hamlet	14.0%	**R 18 144.00**	9.00%	R 19 777.00	9.00%	R 20 963.62	6.00%	R 15 915.79
R 11 485.00		Other areas	14.0%	**R 12 519.00**	9.00%	R 13 646.00	9.00%	R 14 464.76	6.00%	R 10 981.58
	6.4.1.6.6	Contribution to external services - Applications for second unit on single plot (bulk services per site)								
	6.4.1.6.6.1	Tulbagh								
R 1 574.00		2nd unit smaller than 50 m²	14.0%	**R 1 716.00**	9.02%	R 1 870.40	9.00%	R 1 982.62	6.00%	R 1 505.26
R 7 871.00		2nd unit 50 m² - 120 m²	14.0%	**R 8 580.00**	9.01%	R 9 352.00	9.00%	R 9 913.12	6.00%	R 7 526.32
R 15 743.00		2nd unit larger than 120 m2	14.0%	**R 17 160.00**	9.00%	R 18 704.00	9.00%	R 19 826.24	6.00%	R 15 052.63
	6.4.1.6.6.2	PA Hamlet								
R 1 664.00		2nd unit smaller than 50 m²	14.0%	**R 1 814.40**	9.04%	R 1 977.70	9.00%	R 2 096.36	6.00%	R 1 591.58
R 8 323.00		2nd unit 50 m² - 120 m²	14.0%	**R 9 072.00**	9.00%	R 9 888.50	9.00%	R 10 481.81	6.00%	R 7 957.90
R 16 646.00		2nd unit larger than 120 m2	14.0%	**R 18 144.00**	9.00%	R 19 777.00	9.00%	R 20 963.62	6.00%	R 15 915.79
	6.4.1.6.6.3	All other areas								
R 1 149.00		2nd unit smaller than 50 m²	14.0%	**R 1 251.90**	8.96%	R 1 364.60	9.00%	R 1 446.48	6.00%	R 1 098.16
R 5 743.00		2nd unit 50 m² - 120 m²	14.0%	**R 6 259.50**	8.99%	R 6 823.00	9.00%	R 7 232.38	6.00%	R 5 490.79
R 11 485.00		2nd unit larger than 120 m2	14.0%	**R 12 519.00**	9.00%	R 13 646.00	9.00%	R 14 464.76	6.00%	R 10 981.58
	6.4.1.7	**Industrial effluent**								
		Industries than dispose via the normal network								
		Industries than dispose directly into the sewage treatment works	14.0%			As per contractual agreements				
		Industries that exceed with disposal	14.0%							
	6.4.1.8	**Refuse removal**								
R 85.90		Receipt and processing of private dumping at dumping site, per cubic meter	14.0%	**R 93.60**	8.96%	R 102.00	8.97%	R 108.12	6.00%	R 82.11
R 171.60		Abattoir waste at dumping site, per cubic meter	14.0%	**R 187.00**	8.97%	R 203.80	8.98%	R 216.03	6.00%	R 164.04
R 13.00		Refuse bags (Black), per package of 25 bags	14.0%	**R 14.00**	7.69%	R 15.00	7.14%	R 15.90	6.00%	R 12.28
R 17.00		Refuse bags (Green), per package of 25 bags	14.0%	**R 19.00**		R 21.00	10.53%	R 22.26	6.00%	R 16.67
R 5.30		Provision of refuse bins for special events - per bin per annum	14.0%	**R 5.80**	9.43%	R 6.32	8.97%	R 6.70	6.00%	R 5.09
R 375.00		Advertisements on street refuse bins. Per advertisement per bin p/a	14.0%	**R 409.00**	9.07%	R 446.00	9.05%	R 472.76	6.00%	R 358.77
R 273.00		Refuse removal: special events (Festivals & Carnivals)	14.0%	**R 298.00**	9.16%	R 325.00	9.06%	R 344.50	6.00%	R 261.40

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	6.4.2.	**ELECTRICAL SERVICES**								
	6.4.2.1	**Re-connection after tampering with meters**								
		In terms of Section 14 of the Supply Regulations, per meter								
		Per re-connection								
R 981.00		First offence	14.0%	**R 1 069.00**	8.97%	R 1 165.00	8.98%	R 1 234.90	6.00%	R 937.72
R 1 962.00		Second offence	14.0%	**R 2 139.00**	9.02%	R 2 332.00	9.02%	R 2 471.92	6.00%	R 1 876.32
	6.4.2.2	**Repair to supply**								
		In terms of Section 22 of the Supply Regulations								
		Per repair to supply								
R 204.00		Urban areas	14.0%	**R 222.00**	8.82%	R 242.00	9.01%	R 256.52	6.00%	R 194.74
R 230.00		Rural areas	14.0%	**R 251.00**	9.13%	R 274.00	9.16%	R 290.44	6.00%	R 220.18
		In terms of Section 28 of the Supply Regulations								
		Per re-connection (Section 28(1))								
R 97.00		Urban areas	14.0%	**R 106.00**	9.28%	R 116.00	9.43%	R 122.96	6.00%	R 92.98
R 123.00		Rural areas	14.0%	**R 134.00**	8.94%	R 146.00	8.96%	R 154.76	6.00%	R 117.54
	6.4.2.3	**Testing of meter**								
		In terms of Section 51 (3)								
		Per testing of meter								
		Urban areas								
R 360.00		(i) Single Phase electro-mechanical, per meter	14.0%	**R 392.00**	8.89%	R 427.00	8.93%	R 452.62	6.00%	R 343.86
R 470.00		(ii) Three Phase electro-mechanical, per meter	14.0%	**R 512.00**	8.94%	R 558.00	8.98%	R 591.48	6.00%	R 449.12
R 349.00		(iii) Single phase pre-paid meter, per meter	14.0%	**R 380.00**	8.88%	R 414.00	8.95%	R 438.84	6.00%	R 333.33
R 460.00		(iv) Three phase pre-paid meter, per meter	14.0%	**R 501.00**	8.91%	R 546.00	8.98%	R 578.76	6.00%	R 439.47
R 537.00		(v) KVA / kWh meter, per meter	14.0%	**R 585.00**	8.94%	R 638.00	9.06%	R 676.28	6.00%	R 513.16
R 155.00		(vi) Meter verifying	14.0%	**R 169.00**	9.03%	R 184.00	8.88%	R 195.04	6.00%	R 148.25
		Rural areas								
R 392.00		(i) Single phase electro-mechanical, per meter	14.0%	**R 427.00**	8.93%	R 465.00	8.90%	R 492.90	6.00%	R 374.56
R 502.00		(ii) Three phase electro-mechanical, per meter	14.0%	**R 547.00**	8.96%	R 596.00	8.96%	R 631.76	6.00%	R 479.82
R 384.00		(iii) Single Phase pre-paid meter, per meter	14.0%	**R 419.00**	9.11%	R 457.00	9.07%	R 484.42	6.00%	R 367.54
R 494.00		(iv) Three phase pre-paid meter per meter	14.0%	**R 538.00**	8.91%	R 586.00	8.92%	R 621.16	6.00%	R 471.93
R 571.00		(v) KVA / kWh meter per meter	14.0%	**R 622.00**	8.93%	R 678.00	9.00%	R 718.68	6.00%	R 545.61
R 185.00		(vi) Meter verifying	14.0%	**R 202.00**	9.19%	R 220.00	8.91%	R 233.20	6.00%	R 177.19
	6.4.2.4	**Single phase connection**								
R 8 767.00		Single phase connection with underground cable and electro-mechanical meter, per connection	14.0%	**R 9 556.00**	9.00%	R 10 416.00	9.00%	R 11 040.96	6.00%	R 8 382.46
R 4 470.00		Single phase connection with surface cable and electro-mechanical meter, per connection	14.0%	**R 4 872.00**	8.99%	R 5 310.00	8.99%	R 5 628.60	6.00%	R 4 273.68
R 9 595.00		Single Phase connection with underground cable and automat meter, per connection	14.0%	**R 10 459.00**	9.00%	R 11 400.00	9.00%	R 12 084.00	6.00%	R 9 174.56
R 5 040.00		Single Phase connection with surface cable and automat meter, per connection	14.0%	**R 5 494.00**	9.01%	R 5 988.00	8.99%	R 6 347.28	6.00%	R 4 819.30
R 1 398.00		Change from electro-mechanical meter to automat meter, per change	14.0%	**R 1 524.00**	9.01%	R 1 661.00	8.99%	R 1 760.66	6.00%	R 1 336.84
	6.4.2.5	**Temporary connection**								
		Temporary connections are supplied at the tariffs mentioned in 4.2.4 for a single phase connection, and at actual cost for a three phase connection. The cost or tariff payment is deemed as a deposit. On termination of the account, the deposit is refunded after the cost of consumption, any damage to the equipment, and a 20 % administrative charge have been recovered. The connection is supplied in accordance with the Municipality's Electricity by-laws, as amended.	14.0%							
R 4 990.00	**6.4.2.6**	Government-subsidised housing - (20 % admin. Charges not included)	14.0%	**R 5 439.00**	9.00%	R 5 929.00	9.01%	R 6 463.00	9.01%	R 4 771.05

WC022 Witzenberg - Table A1 Budget Summary

Description	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Financial Performance										
Property rates	22 525	27 409	31 261	39 984	36 105	36 781	36 781	44 117	46 611	49 576
Service charges	114 040	137 311	155 795	180 948	181 430	181 638	181 638	209 534	242 909	279 956
Investment revenue	7 604	3 676	2 893	1 846	1 846	4 487	4 487	1 957	1 857	2 199
Transfers recognised - operational	67 291	61 433	53 668	48 732	55 067	46 594	46 594	76 178	70 916	75 016
Other own revenue	16 446	16 277	17 608	18 665	18 590	16 890	16 890	19 828	22 058	22 286
Total Revenue (excluding capital transfers and contributions)	227 907	246 106	261 225	290 176	293 037	286 391	286 391	351 614	384 352	429 033
Employee costs	60 391	70 568	77 083	96 698	93 480	95 446	95 446	100 399	108 433	117 102
Remuneration of councillors	4 980	5 087	5 577	6 580	6 690	6 690	6 690	7 091	7 517	7 968
Depreciation & asset impairment	4 708	7 430	8 789	15 884	15 884	15 830	15 830	18 623	20 627	18 919
Finance charges	16 273	14 600	13 929	9 785	9 755	9 396	9 396	17 478	19 636	20 499
Materials and bulk purchases	45 654	61 491	79 826	96 315	96 739	83 246	83 246	118 259	144 807	173 769
Transfers and grants	528	851	1 078	1 038	1 058	999	999	1 079	1 144	1 212
Other expenditure	77 768	78 328	68 918	48 280	50 088	69 020	69 020	69 719	73 193	75 439
Total Expenditure	210 303	238 354	255 200	274 580	273 694	280 626	280 626	332 648	375 356	414 908
Surplus/(Deficit)	17 604	7 752	6 025	15 595	19 344	5 764	5 764	18 966	8 995	14 125
Transfers recognised - capital	–	–	–	–	–	–	–	–	–	–
Contributions recognised - capital & contributed assets	11 604	17 864	46 707	54 522	54 742	39 184	39 184	62 001	33 135	20 099
Surplus/(Deficit) after capital transfers & contributions	29 208	25 616	52 732	70 117	74 086	44 948	44 948	80 967	42 130	34 224
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	29 208	25 616	52 732	70 117	74 086	44 948	44 948	80 967	42 130	34 224
Capital expenditure & funds sources										
Capital expenditure	–	–	–	67 697	79 616	80 012	80 012	74 943	46 785	30 675
Transfers recognised - capital	–	–	–	44 433	56 118	56 289	56 289	62 001	33 135	20 099
Public contributions & donations	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	–
Internally generated funds	–	–	–	23 264	23 498	23 723	23 723	12 941	13 650	10 576
Total sources of capital funds	–	–	–	67 697	79 616	80 012	80 012	74 943	46 785	30 675
Financial position										
Total current assets	59 136	78 756	70 209	71 729	69 260	69 260	69 260	64 337	65 746	67 482
Total non current assets	129 058	152 989	205 993	232 976	223 280	223 280	223 280	270 635	296 137	300 586
Total current liabilities	43 757	72 097	64 660	58 511	50 285	50 285	50 285	57 268	63 548	72 253
Total non current liabilities	100 626	104 060	114 052	113 550	113 550	113 550	113 550	112 372	109 327	105 627
Community wealth/Equity	43 812	55 589	97 491	132 644	128 705	128 705	128 705	165 331	189 007	190 188
Cash flows										
Net cash from (used) operating	20 911	48 009	47 509	72 543	75 581	75 581	75 581	85 887	56 595	46 565
Net cash from (used) investing	(16 855)	(29 713)	(61 954)	(67 360)	(77 056)	(77 056)	(77 056)	2	(46 783)	(30 673)
Net cash from (used) financing	8 742	(7 367)	(7 183)	(7 221)	(7 221)	(7 221)	(7 221)	(7 441)	(8 045)	(8 700)
Cash/cash equivalents at the year end	32 573	43 502	21 874	41 464	34 806	34 806	34 806	113 255	115 021	122 213
Cash backing/surplus reconciliation										
Cash and investments available	32 573	43 525	21 897	23 365	24 351	24 351	24 351	24 071	23 831	23 833
Application of cash and investments	15 202	21 147	7 445	(1 021)	(5 953)	(6 082)	(6 082)	(7 156)	(9 558)	(10 089)
Balance - surplus (shortfall)	17 371	22 378	14 452	24 386	30 305	30 434	30 434	31 227	33 389	33 922
Asset management										
Asset register summary (WDV)	–	227	1 011	51 812	63 732	64 182	120 838	120 838	146 997	151 852
Depreciation & asset impairment	4 708	7 430	8 789	15 884	15 884	15 830	18 623	18 623	20 627	18 919
Renewal of Existing Assets	–	–	4 011	3 599	15 876	16 257	16 257	12 288	10 986	13 127
Repairs and Maintenance	9 965	8 942	11 005	12 612	14 402	15 609	14 252	14 252	15 081	16 078
Free services										
Cost of Free Basic Services provided	5 980	8 800	14 700	15 353	15 353	15 353	17 373	17 373	18 971	18 971
Revenue cost of free services provided	7 652	10 741	17 758	18 442	18 442	18 442	20 691	20 691	22 574	22 574
Households below minimum service level										
Water:	–	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:	–	–	–	–	–	–	–	–	–	–
Energy:	1	2	2	2	2	2	2	2	2	2
Refuse:	–	–	–	–	–	–	–	–	–	–

WC022 Witzenberg - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Revenue - Standard										
Governance and administration		36 019	40 359	50 441	55 200	52 912	52 066	62 538	60 930	64 256
Executive and council		922	1 058	1 182	1 384	1 384	2 174	2 831	3 200	4 083
Budget and treasury office		33 654	36 694	44 775	50 363	47 855	49 069	55 778	55 993	58 443
Corporate services		1 442	2 606	4 483	3 453	3 673	823	3 930	1 737	1 730
Community and public safety		69 685	61 935	54 708	51 850	56 182	47 354	84 152	78 962	80 192
Community and social services		21 501	29 324	36 714	40 278	44 685	37 271	50 333	47 039	50 539
Sport and recreation		5 515	6 128	9 448	9 212	9 137	8 913	15 445	13 229	11 032
Public safety		1 353	644	694	2 038	2 038	627	3 030	3 284	2 427
Housing		41 317	25 839	7 852	322	322	543	15 344	15 410	16 194
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		7 464	7 223	19 966	17 721	18 278	16 222	19 399	10 271	8 921
Planning and development		1 424	882	1 025	1 053	1 533	874	3 174	1 733	1 850
Road transport		6 041	6 340	18 941	16 668	16 668	15 334	16 225	8 538	7 071
Environmental protection		–	–	–	–	77	13	–	–	–
Trading services		126 343	154 454	182 816	219 927	220 408	175 673	247 527	267 323	295 762
Electricity		72 782	91 358	108 347	127 345	127 768	110 590	153 238	183 924	215 423
Water		25 678	32 601	39 683	52 226	52 226	41 054	54 203	49 023	41 845
Waste water management		14 744	16 000	19 271	25 587	25 645	13 699	25 164	18 942	21 239
Waste management		13 140	14 496	15 516	14 769	14 769	10 330	14 922	15 434	17 255
Other	4	–	–	–	–	–	–	–	–	–
Total Revenue - Standard	2	239 511	263 971	307 932	344 698	347 780	291 315	413 616	417 487	449 131
Expenditure - Standard										
Governance and administration		47 052	58 964	70 560	60 326	59 895	66 922	75 823	77 682	82 433
Executive and council		7 546	9 450	10 028	10 736	11 279	11 627	12 712	13 009	13 873
Budget and treasury office		19 772	26 152	25 504	23 485	23 286	27 886	31 053	30 723	32 366
Corporate services		19 733	23 362	35 028	26 106	25 331	27 409	32 058	33 950	36 194
Community and public safety		66 592	52 997	42 587	40 691	39 976	39 947	55 625	62 064	63 738
Community and social services		7 900	9 146	10 196	13 530	13 068	12 412	14 982	15 192	14 336
Sport and recreation		11 740	12 297	14 692	17 788	17 214	16 586	18 212	19 556	20 671
Public safety		4 530	4 689	5 321	7 078	7 385	7 592	8 704	9 363	9 833
Housing		42 422	26 866	12 378	2 295	2 310	3 357	13 727	17 953	18 898
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		11 942	11 729	14 712	21 761	21 818	26 232	22 727	24 615	25 089
Planning and development		4 226	4 093	4 686	5 934	6 064	5 484	7 422	8 202	8 785
Road transport		7 465	7 190	9 420	15 123	14 972	20 023	14 547	15 597	15 425
Environmental protection		251	445	606	704	782	725	758	817	880
Trading services		94 108	123 038	137 689	163 584	165 739	166 991	192 092	225 258	258 870
Electricity		56 025	73 322	92 313	111 035	112 123	100 218	134 706	162 511	192 925
Water		12 873	16 431	13 627	17 990	18 279	20 921	19 366	21 579	22 401
Waste water management		12 319	15 990	14 180	16 014	16 443	22 996	17 722	19 189	20 243
Waste management		12 891	17 295	17 569	18 546	18 893	22 857	20 298	21 978	23 300
Other	4	386	424	482	550	550	533	583	618	656
Total Expenditure - Standard	3	220 081	247 153	266 029	286 913	287 979	300 624	346 850	390 238	430 786
Surplus/(Deficit) for the year		19 430	16 818	41 902	57 785	59 801	(9 310)	66 765	27 249	18 346

References

1. Government Finance Statistics Functions and Sub-functions are standardised to assist the compilation of national and international accounts for comparison purposes

2. Total Revenue by standard classification must reconcile to Total Operating Revenue shown in Budgeted Financial Performance (revenue and expenditure)

3. Total Expenditure by Standard Classification must reconcile to Total Operating Expenditure shown in Budgeted Financial Performance (revenue and expenditure)

4. All amounts must be classified under a standard classification (modified GFS). The GFS function 'Other' is only for Abbatoirs, Air Transport, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification

WC022 Witzenberg - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Revenue - Standard										
Municipal governance and administration		36 019	40 359	50 441	55 200	52 912	52 066	62 538	60 930	64 256
Executive and council		922	1 058	1 182	1 384	1 384	2 174	2 831	3 200	4 083
Mayor and Council		889	1 058	1 182	1 384	1 384	2 174	2 831	3 200	4 083
Municipal Manager		33	–	–	–	–	–	–	–	–
Budget and treasury office		33 654	36 694	44 775	50 363	47 855	49 069	55 778	55 993	58 443
Corporate services		1 442	2 606	4 483	3 453	3 673	823	3 930	1 737	1 730
Human Resources		572	–	19	410	630	180	735	451	488
Information Technology		–	–	–	–	–	–	–	–	–
Property Services		780	2 606	4 463	3 043	3 043	643	3 195	1 285	1 242
Other Admin		90	–	1	–	–	–	–	–	–
Community and public safety		69 685	61 935	54 708	51 850	56 182	47 354	84 152	78 962	80 192
Community and social services		21 501	29 324	36 714	40 278	44 685	37 271	50 333	47 039	50 539
Libraries and Archives		505	458	560	648	4 587	4 602	5 449	44	48
Museums & Art Galleries etc		–	–	–	–	–	–	–	–	–
Community halls and Facilities		248	185	283	281	281	357	298	310	335
Cemeteries & Crematoriums		177	152	170	(1)	(1)	177	0	(2)	(1)
Child Care		–	–	–	–	–	–	–	–	–
Aged Care		–	–	–	–	–	–	–	–	–
Other Community		–	–	–	–	–	–	–	–	–
Other Social		20 570	28 530	35 701	39 350	39 818	32 135	44 585	46 687	50 158
Sport and recreation		5 515	6 128	9 448	9 212	9 137	8 913	15 445	13 229	11 032
Public safety		1 353	644	694	2 038	2 038	627	3 030	3 284	2 427
Police		–	–	–	–	–	–	–	–	–
Fire		(1)	–	0	1	1	0	1	1	1
Civil Defence		–	–	–	–	–	–	–	–	–
Street Lighting		590	–	–	–	–	–	870	–	–
Other		764	644	694	2 037	2 037	627	2 159	3 283	2 426
Housing		41 317	25 839	7 852	322	322	543	15 344	15 410	16 194
Health		–	–	–	–	–	–	–	–	–
Clinics		–	–	–	–	–	–	–	–	–
Ambulance		–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–
Economic and environmental services		7 464	7 223	19 966	17 721	18 278	16 222	19 399	10 271	8 921
Planning and development		1 424	882	1 025	1 053	1 533	874	3 174	1 733	1 850
Economic Development/Planning		–	–	–	88	288	48	2 151	670	700
Town Planning/Building enforcement		1 359	821	936	895	1 175	775	949	986	1 066
Licensing & Regulation		65	62	89	70	70	52	74	77	84
Road transport		6 041	6 340	18 941	16 668	16 668	15 334	16 225	8 538	7 071
Roads		3 606	3 619	16 165	13 806	13 806	12 546	13 191	5 388	3 662
Public Buses		–	–	–	–	–	–	–	–	–
Parking Garages		–	–	–	–	–	–	–	–	–
Vehicle Licensing and Testing		2 435	2 721	2 777	2 862	2 862	2 789	3 034	3 150	3 409
Other		–	–	–	–	–	–	–	–	–
Environmental protection		–	–	–	–	77	13	–	–	–
Pollution Control		–	–	–	–	–	–	–	–	–
Biodiversity & Landscape		–	–	–	–	–	–	–	–	–
Other		–	–	–	–	77	13	–	–	–
Trading services		126 343	154 454	182 816	219 927	220 408	175 673	247 527	267 323	295 762
Electricity		72 782	91 358	108 347	127 345	127 768	110 590	153 238	183 924	215 423
Electricity Distribution		72 782	91 358	108 347	127 345	127 768	110 590	153 238	183 924	215 423
Electricity Generation		–	–	–	–	–	–	–	–	–
Water		25 678	32 601	39 683	52 226	52 226	41 054	54 203	49 023	41 845
Water Distribution		25 304	28 667	39 683	52 013	52 013	40 841	51 214	44 923	39 499
Water Storage		374	3 934	–	213	213	213	2 989	4 100	2 346
Waste water management		14 744	16 000	19 271	25 587	25 645	13 699	25 164	18 942	21 239
Sewerage		13 091	12 617	16 905	22 030	22 088	13 106	25 012	18 942	21 239
Storm Water Management		1 653	3 383	2 361	3 557	3 557	593	152	–	–
Public Toilets		–	–	5	–	–	–	–	–	–
Waste management		13 140	14 496	15 516	14 769	14 769	10 330	14 922	15 434	17 255
Solid Waste		13 140	14 496	15 516	14 769	14 769	10 330	14 922	15 434	17 255
Other		–	–	–	–	–	–	–	–	–
Air Transport		–	–	–	–	–	–	–	–	–
Abattoirs		–	–	–	–	–	–	–	–	–
Tourism		–	–	–	–	–	–	–	–	–
Forestry		–	–	–	–	–	–	–	–	–
Markets		–	–	–	–	–	–	–	–	–
Total Revenue - Standard	2	239 511	263 971	307 932	344 698	347 780	291 315	413 616	417 487	449 131

Expenditure - Standard										
Municipal governance and administration		47 052	58 964	70 560	60 326	59 895	66 922	75 823	77 682	82 433
Executive and council		7 546	9 450	10 028	10 736	11 279	11 627	12 712	13 009	13 873
Mayor and Council		6 765	7 467	8 304	9 354	9 877	10 237	10 549	11 216	11 937
Municipal Manager		781	1 983	1 724	1 382	1 402	1 391	2 163	1 793	1 936
Budget and treasury office		19 772	26 152	25 504	23 485	23 286	27 886	31 053	30 723	32 366
Corporate services		19 733	23 362	35 028	26 106	25 331	27 409	32 058	33 950	36 194
Human Resources		8 130	10 142	20 870	10 175	9 999	12 831	14 663	15 439	16 479
Information Technology		680	524	853	1 304	1 209	990	1 513	1 586	1 652
Property Services		2 981	3 202	3 060	2 752	2 251	1 960	3 242	3 251	3 392
Other Admin		7 942	9 493	10 245	11 875	11 871	11 627	12 640	13 675	14 670
Community and public safety		66 592	52 997	42 587	40 691	39 976	39 947	55 625	62 064	63 738
Community and social services		7 900	9 146	10 196	13 530	13 068	12 412	14 982	15 192	14 336
Libraries and Archives		3 079	3 582	3 920	4 921	4 847	4 700	5 107	5 515	5 948
Museums & Art Galleries etc		–	–	–	–	–	–	–	–	–
Community halls and Facilities		1 910	2 079	2 338	2 989	2 519	2 398	2 915	3 159	3 383
Cemeteries & Crematoriums		1 396	1 560	1 668	2 037	2 014	1 990	2 120	2 315	2 471
Child Care		–	–	–	–	–	–	–	–	–
Aged Care		–	–	–	–	–	–	–	–	–
Other Community		–	–	–	–	–	–	–	–	–
Other Social		1 516	1 925	2 271	3 583	3 689	3 324	4 840	4 203	2 534
Sport and recreation		11 740	12 297	14 692	17 788	17 214	16 586	18 212	19 556	20 671
Public safety		4 530	4 689	5 321	7 078	7 385	7 592	8 704	9 363	9 833
Police		–	–	–	–	–	–	–	–	–
Fire		997	999	1 213	1 736	1 678	1 962	2 027	2 178	2 266
Civil Defence		–	–	–	–	–	–	–	–	–
Street Lighting		957	1 060	1 225	1 292	1 802	1 727	1 897	2 012	2 097
Other		2 576	2 630	2 883	4 050	3 905	3 904	4 781	5 173	5 470
Housing		42 422	26 866	12 378	2 295	2 310	3 357	13 727	17 953	18 898
Health		–	–	–	–	–	–	–	–	–
Clinics		–	–	–	–	–	–	–	–	–
Ambulance		–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–
Economic and environmental services		11 942	11 729	14 712	21 761	21 818	26 232	22 727	24 615	25 089
Planning and development		4 226	4 093	4 686	5 934	6 064	5 484	7 422	8 202	8 785
Economic Development/Planning		1 714	1 939	1 873	2 585	2 603	2 330	3 516	3 996	4 242
Town Planning/Building enforcement		2 490	2 120	2 778	3 297	3 409	3 119	3 852	4 149	4 481
Licensing & Regulation		22	34	35	52	52	35	54	57	62
Road transport		7 465	7 190	9 420	15 123	14 972	20 023	14 547	15 597	15 425
Roads		5 975	5 939	7 835	12 476	12 726	17 907	12 297	13 222	12 864
Public Buses		–	–	–	–	–	–	–	–	–
Parking Garages		–	–	–	–	–	–	–	–	–
Vehicle Licensing and Testing		1 490	1 251	1 585	2 647	2 246	2 116	2 250	2 375	2 561
Other		–	–	–	–	–	–	–	–	–
Environmental protection		251	445	606	704	782	725	758	817	880
Pollution Control		–	–	–	–	–	–	–	–	–
Biodiversity & Landscape		–	–	–	–	–	–	–	–	–
Other		251	445	606	704	782	725	758	817	880
Trading services		94 108	123 038	137 689	163 584	165 739	166 991	192 092	225 258	258 870
Electricity		56 025	73 322	92 313	111 035	112 123	100 218	134 706	162 511	192 925
Electricity Distribution		55 909	73 228	92 201	110 859	111 945	100 092	134 515	162 306	192 705
Electricity Generation		117	94	111	176	178	125	191	205	221
Water		12 873	16 431	13 627	17 990	18 279	20 921	19 366	21 579	22 401
Water Distribution		7 358	10 092	8 175	13 105	13 394	16 856	14 349	15 483	16 404
Water Storage		5 515	6 339	5 453	4 885	4 885	4 064	5 018	6 096	5 997
Waste water management		12 319	15 990	14 180	16 014	16 443	22 996	17 722	19 189	20 243
Sewerage		9 321	12 872	10 769	11 489	11 599	18 040	12 577	13 602	14 321
Storm Water Management		2 262	2 301	2 525	3 459	3 765	3 770	3 999	4 348	4 590
Public Toilets		736	817	886	1 066	1 079	1 187	1 146	1 239	1 332
Waste management		12 891	17 295	17 569	18 546	18 893	22 857	20 298	21 978	23 300
Solid Waste		12 891	17 295	17 569	18 546	18 893	22 857	20 298	21 978	23 300
Other		386	424	482	550	550	533	583	618	656
Air Transport		–	–	–	–	–	–	–	–	–
Abattoirs		–	–	–	–	–	–	–	–	–
Tourism		386	424	482	550	550	533	583	618	656
Forestry		–	–	–	–	–	–	–	–	–
Markets		–	–	–	–	–	–	–	–	–
Total Expenditure - Standard	3	220 081	247 153	266 029	286 913	287 979	300 624	346 850	390 238	430 786
Surplus/(Deficit) for the year		19 430	16 818	41 902	57 785	59 801	(9 310)	66 765	27 249	18 346

References

1. Government Finance Statistics Functions and Sub-functions are standardised to assist national and international accounts and comparison

2. Total Revenue by Standard Classification must reconcile to total operating revenue shown in Financial Performance (revenue and expenditure)

3. Total Expenditure by Standard Classification must reconcile to total operating expenditure shown in Financial Performance (revenue and expenditure)

4. All amounts must be classified under a Standard (modified GFS) classification. The GFS function 'Other' is only for Abbatoirs, Air Transport, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification

WC022 Witzenberg - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Revenue by Vote	1									
Vote 1 - Budget & Treasury Office		33 654	36 694	44 775	50 363	47 855	49 069	55 778	55 993	58 443
Vote 2 - Civil Services		57 167	66 715	90 634	106 388	106 445	77 629	107 479	88 787	84 001
Vote 3 - Community & Social Services		21 566	29 386	36 803	40 348	44 832	37 336	51 808	47 116	50 623
Vote 4 - Corporate Services		2 331	3 665	5 665	4 837	5 057	2 997	6 761	4 937	5 813
Vote 5 - Electricity		73 371	91 358	108 347	127 345	127 768	110 590	154 108	183 924	215 423
Vote 6 - Executive & Council		33	–	–	–	80	13	–	270	–
Vote 7 - Housing		41 317	25 839	7 852	322	322	543	15 344	15 410	16 194
Vote 8 - Planning		1 359	821	936	983	1 383	809	1 699	1 386	1 766
Vote 9 - Public Safety		3 198	3 365	3 470	4 900	4 900	3 416	5 194	6 434	5 836
Vote 10 - Sport & Recreation		5 515	6 128	9 448	9 212	9 137	8 913	15 445	13 229	11 032
Vote 11 -		–	–	–	–	–	–	–	–	–
Vote 12 -		–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	239 511	263 971	307 932	344 698	347 780	291 315	413 616	417 487	449 131
Expenditure by Vote *to be appropriated*	1									
Vote 1 - Budget & Treasury Office		19 772	26 152	25 504	23 485	23 286	27 886	31 053	30 723	32 366
Vote 2 - Civil Services		44 058	55 656	53 211	65 025	66 341	84 680	69 683	75 968	78 808
Vote 3 - Community & Social Services		9 719	11 446	12 909	17 000	15 996	15 266	18 114	18 495	17 863
Vote 4 - Corporate Services		22 439	25 047	36 734	27 978	28 345	30 988	35 012	36 940	39 284
Vote 5 - Electricity		57 654	75 257	94 662	113 681	115 289	102 972	138 367	166 424	197 060
Vote 6 - Executive & Council		4 722	7 431	7 481	7 783	7 692	7 525	9 410	9 835	10 286
Vote 7 - Housing		42 422	26 866	12 378	2 295	2 310	3 357	13 727	17 953	18 898
Vote 8 - Planning		2 490	2 120	2 778	3 445	3 677	3 384	4 216	4 617	5 253
Vote 9 - Public Safety		5 063	4 880	5 682	8 434	7 828	7 982	9 058	9 725	10 297
Vote 10 - Sport & Recreation		11 740	12 297	14 692	17 788	17 214	16 586	18 212	19 556	20 671
Vote 11 -		–	–	–	–	–	–	–	–	–
Vote 12 -		–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–
Total Expenditure by Vote	2	220 081	247 153	266 029	286 913	287 979	300 624	346 850	390 238	430 786
Surplus/(Deficit) for the year	2	19 430	16 818	41 902	57 785	59 801	(9 310)	66 765	27 249	18 346

References

1. Insert 'Vote'; e.g. department, if different to standard classification structure

2. Must reconcile to Budgeted Financial Performance (revenue and expenditure)

3. Assign share in 'associate' to relevant Vote

WC022 Witzenberg - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Revenue by Vote	1									
Vote 1 - Budget & Treasury Office		33 654	36 694	44 775	50 363	47 855	49 069	55 778	55 993	58 443
1.1 - Property Rates		21 926	27 409	31 438	40 455	36 576	36 988	44 611	47 130	50 136
1.2 - Financial Administration		11 687	9 166	13 294	9 766	11 137	12 079	11 015	8 703	8 137
1.3 - Income		41	75	43	143	143	2	152	161	170
1.4 - Treasury : Supply Chain		–	44	–	–	–	–	–	–	–
1.5 - Treasury : Audit		–	–	–	–	–	–	–	–	–
Vote 2 - Civil Services		57 167	66 715	90 634	106 388	106 445	77 629	107 479	88 787	84 001
2.1 - Public Toilets		–	–	5	–	–	–	–	–	–
2.2 - Sewerage		13 091	12 617	16 905	22 030	22 088	13 106	25 012	18 942	21 239
2.3 - Storm water Management		1 653	3 383	2 361	3 557	3 557	593	152	–	–
2.4 - Roads		3 606	3 619	16 165	13 806	13 806	12 546	13 191	5 388	3 662
2.5 - Solid Waste Management		13 140	14 496	15 516	14 769	14 769	10 330	14 922	15 434	17 255
2.6 - Water		25 678	32 601	39 683	52 226	52 226	41 054	54 203	49 023	41 845
Vote 3 - Community & Social Services		21 566	29 386	36 803	40 348	44 832	37 336	51 808	47 116	50 623
3.1 - Cemetries		177	152	170	(1)	(1)	177	0	(2)	(1)
3.2 - Control centre		–	–	–	–	–	–	–	–	–
3.3 - Library services		505	458	560	648	4 587	4 602	5 449	44	48
3.4 - Community Halls & Facilities		248	185	283	281	281	357	298	310	335
3.5 - Licensing & regulation		65	62	89	70	70	52	74	77	84
3.6 - Environmental Protection		–	–	–	–	77	13	–	–	–
3.7 - Social & Welfare services		20 570	28 530	35 701	39 350	39 818	32 135	44 585	46 687	50 158
3.8 - Property maintenance		–	–	–	–	–	–	–	–	–
3.9 - Local Economical Development		–	–	–	–	–	–	1 401	–	–
3.10 - Thusong Centre		–	–	–	–	–	–	–	–	–
Vote 4 - Corporate Services		2 331	3 665	5 665	4 837	5 057	2 997	6 761	4 937	5 813
4.1 - Administration		90	–	–	–	–	–	–	–	–
4.2 - Property Administration		780	2 606	4 463	3 043	3 043	643	3 195	1 285	1 242
4.3 - Information Technology		–	–	–	–	–	–	–	–	–
4.4 - Human resources		572	–	19	410	630	180	735	451	488
4.5 - Council cost		889	1 058	1 182	1 384	1 384	2 174	2 831	3 200	4 083
4.6 - Town secretary		–	–	–	–	–	–	–	–	–
4.7 - Tourism		–	–	–	–	–	–	–	–	–
4.8 - Marketing & Communication		–	–	1	–	–	–	–	–	–
4.9 - Cliental Services		–	–	–	–	–	–	–	–	–
Vote 5 - Electricity		73 371	91 358	108 347	127 345	127 768	110 590	154 108	183 924	215 423
5.1 - Electricity : Administration		72 782	91 358	108 347	127 345	127 768	110 590	153 238	183 924	215 423
5.2 - Street lighting		590	–	–	–	–	–	870	–	–
5.3 - Mechanical Workshop		–	–	–	–	–	–	–	–	–
Vote 6 - Executive & Council		33	–	–	–	80	13	–	270	–
6.1 - Integrated Development Plannin		–	–	–	–	80	13	–	270	–
6.2 - Municipal Manager		33	–	–	–	–	–	–	–	–
6.3 - Chief Executive's		–	–	–	–	–	–	–	–	–
Vote 7 - Housing		41 317	25 839	7 852	322	322	543	15 344	15 410	16 194
7.1 - Housing		41 317	25 839	7 852	322	322	543	15 344	15 410	16 194
Vote 8 - Planning		1 359	821	936	983	1 383	809	1 699	1 386	1 766
8.1 - Building		427	474	713	439	439	496	465	483	523
8.2 - Town Planning		932	347	224	456	736	279	484	503	543
8.3 - Project Management		–	–	–	88	88	15	750	400	700
8.4 - Performance Management		–	–	–	–	120	20	–	–	–
Vote 9 - Public Safety		3 198	3 365	3 470	4 900	4 900	3 416	5 194	6 434	5 836
9.1 - Fire Protection		(1)	–	0	1	1	0	1	1	1
9.2 - Police & Traffic		764	644	694	2 037	2 037	627	2 159	3 283	2 426
9.3 - Disaster management		–	–	–	–	–	–	–	–	–
9.4 - Vehicle Licensing & Testing		2 435	2 721	2 777	2 862	2 862	2 789	3 034	3 150	3 409
Vote 10 - Sport & Recreation		5 515	6 128	9 448	9 212	9 137	8 913	15 445	13 229	11 032
10.1 - Pine Forest Resort		4 718	5 187	5 241	5 240	5 240	5 161	5 555	5 629	6 242
10.2 - Klipriver Park Resort		682	679	620	753	753	678	798	828	897
10.3 - Parks		(2)	–	2 091	–	(75)	(62)	1 519	4 035	40
10.4 - Sport grounds		72	210	1 136	96	96	91	2 186	2 606	3 715
10.5 - Swimming pools		44	52	360	3 123	3 123	3 045	5 386	131	139
Total Revenue by Vote	2	239 511	263 971	307 932	344 698	347 780	291 315	413 616	417 487	449 131

WC022 Witzenberg - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Expenditure by Vote	1									
Vote 1 - Budget & Treasury Office		19 772	26 152	25 504	23 485	23 286	27 886	31 053	30 723	32 366
1.1 - Property Rates		–	–	–	–	–	–	3 650	3 800	3 950
1.2 - Financial Administration		11 659	14 607	10 961	8 004	6 567	11 099	8 512	8 489	8 895
1.3 - Income		5 319	7 050	8 336	9 651	10 228	9 840	12 212	11 272	11 849
1.4 - Treasury : Supply Chain		1 349	2 266	3 076	3 334	3 665	3 685	3 546	3 822	4 122
1.5 - Treasury : Audit		1 445	2 230	3 130	2 495	2 825	3 262	3 133	3 340	3 550
Vote 2 - Civil Services		44 058	55 656	53 211	65 025	66 341	84 680	69 683	75 968	78 808
2.1 - Public Toilets		736	817	886	1 066	1 079	1 187	1 146	1 239	1 332
2.2 - Sewerage		9 321	12 872	10 769	11 489	11 599	18 040	12 577	13 602	14 321
2.3 - Storm water Management		2 262	2 301	2 525	3 459	3 765	3 770	3 999	4 348	4 590
2.4 - Roads		5 975	5 939	7 835	12 476	12 726	17 907	12 297	13 222	12 864
2.5 - Solid Waste Management		12 891	17 295	17 569	18 546	18 893	22 857	20 298	21 978	23 300
2.6 - Water		12 873	16 431	13 627	17 990	18 279	20 921	19 366	21 579	22 401
Vote 3 - Community & Social Services		9 719	11 446	12 909	17 000	15 996	15 266	18 114	18 495	17 863
3.1 - Cemetries		1 396	1 560	1 668	2 037	2 014	1 990	2 120	2 315	2 471
3.2 - Control centre		531	650	694	757	364	334	67	71	76
3.3 - Library services		3 079	3 582	3 920	4 921	4 847	4 700	5 107	5 515	5 948
3.4 - Community Halls & Facilities		1 910	2 079	2 338	2 989	2 519	2 398	2 915	3 159	3 383
3.5 - Licensing & regulation		22	34	35	52	52	35	54	57	62
3.6 - Environmental Protection		251	445	606	704	782	725	758	817	880
3.7 - Social & Welfare services		1 516	1 925	2 271	3 583	3 689	3 324	4 840	4 203	2 534
3.8 - Property maintenance		570	630	683	1 079	844	928	902	998	1 040
3.9 - Local Economical Development		446	541	695	878	886	832	1 130	1 120	1 206
3.10 - Thusong Centre		–	–	–	–	–	–	220	240	263
Vote 4 - Corporate Services		22 439	25 047	36 734	27 978	28 345	30 988	35 012	36 940	39 284
4.1 - Administration		2 285	2 289	2 557	2 903	2 617	2 743	2 856	3 106	3 256
4.2 - Property Administration		2 411	2 572	2 377	1 673	1 407	1 033	2 119	2 013	2 089
4.3 - Information Technology		680	524	853	1 304	1 209	990	1 513	1 586	1 652
4.4 - Human resources		8 130	10 142	20 870	10 175	9 999	12 831	14 663	15 439	16 479
4.5 - Council cost		6 765	7 467	8 304	9 354	9 877	10 237	10 549	11 216	11 937
4.6 - Town secretary		925	861	965	1 058	1 025	1 014	1 031	1 117	1 210
4.7 - Tourism		386	424	482	550	550	533	583	618	656
4.8 - Marketing & Communication		856	753	326	840	1 601	1 599	1 591	1 732	1 885
4.9 - Cliental Services		–	15	0	121	59	10	107	113	120
Vote 5 - Electricity		57 654	75 257	94 662	113 681	115 289	102 972	138 367	166 424	197 060
5.1 - Electricity : Administration		56 025	73 322	92 313	111 035	112 123	100 218	134 706	162 511	192 925
5.2 - Street lighting		957	1 060	1 225	1 292	1 802	1 727	1 897	2 012	2 097
5.3 - Mechanical Workshop		672	875	1 125	1 354	1 364	1 027	1 765	1 901	2 037
Vote 6 - Executive & Council		4 722	7 431	7 481	7 783	7 692	7 525	9 410	9 835	10 286
6.1 - Integrated Development Plannin		1 268	1 398	1 178	1 559	1 449	1 232	2 023	2 408	2 264
6.2 - Municipal Manager		781	1 983	1 724	1 382	1 402	1 391	2 163	1 793	1 936
6.3 - Chief Executive's		2 673	4 050	4 579	4 842	4 842	4 901	5 224	5 634	6 086
Vote 7 - Housing		42 422	26 866	12 378	2 295	2 310	3 357	13 727	17 953	18 898
7.1 - Housing		42 422	26 866	12 378	2 295	2 310	3 357	13 727	17 953	18 898
Vote 8 - Planning		2 490	2 120	2 778	3 445	3 677	3 384	4 216	4 617	5 253
8.1 - Building		1 359	1 539	2 120	2 561	2 561	2 458	3 061	3 299	3 559
8.2 - Town Planning		1 132	581	657	736	848	660	791	850	921
8.3 - Project Management		–	–	–	144	144	35	360	464	767
8.4 - Performance Management		–	–	–	4	124	230	4	5	5
Vote 9 - Public Safety		5 063	4 880	5 682	8 434	7 828	7 982	9 058	9 725	10 297
9.1 - Fire Protection		997	999	1 213	1 736	1 678	1 962	2 027	2 178	2 266
9.2 - Police & Traffic		2 555	2 616	2 876	4 009	3 889	3 893	4 760	5 149	5 451
9.3 - Disaster management		20	13	7	41	16	11	20	24	19
9.4 - Vehicle Licensing & Testing		1 490	1 251	1 585	2 647	2 246	2 116	2 250	2 375	2 561
Vote 10 - Sport & Recreation		11 740	12 297	14 692	17 788	17 214	16 586	18 212	19 556	20 671
10.1 - Pine Forest Resort		5 185	5 424	7 226	7 086	6 791	6 740	7 416	7 848	8 411
10.2 - Klipriver Park Resort		1 080	1 204	1 155	1 378	1 383	1 388	1 450	1 562	1 679
10.3 - Parks		2 633	2 630	2 990	4 090	4 027	3 754	4 531	4 911	5 050
10.4 - Sport grounds		2 036	2 103	2 322	2 905	2 899	2 832	2 916	3 210	3 347
10.5 - Swimming pools		807	936	999	2 329	2 113	1 872	1 898	2 026	2 184
Total Expenditure by Vote	2	220 081	247 153	266 029	286 913	287 979	300 624	346 850	390 238	430 786
Surplus/(Deficit) for the year	2	19 430	16 818	41 902	57 785	59 801	(9 310)	66 765	27 249	18 346

References

1. Insert 'Vote'; e.g. Department, if different to standard structure

2. Must reconcile to Financial Performance ('Revenue and Expenditure by Standard Classification' and 'Revenue and Expenditure')

3. Assign share in 'associate' to relevant Vote

WC022 Witzenberg - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Revenue By Source											
Property rates	2	21 845	26 695	30 515	39 309	35 430	35 674	35 674	43 388	45 794	48 757
Property rates - penalties & collection charges		680	714	746	675	675	1 107	1 107	729	816	819
Service charges - electricity revenue	2	70 498	90 038	106 347	126 914	127 338	127 338	127 338	152 783	183 469	215 137
Service charges - water revenue	2	19 507	22 511	23 352	27 623	27 623	27 623	27 623	29 146	30 666	33 000
Service charges - sanitation revenue	2	10 846	11 248	12 272	11 531	11 589	11 785	11 785	12 100	12 696	13 910
Service charges - refuse revenue	2	11 996	12 530	12 580	13 337	13 337	13 350	13 350	13 869	14 381	16 072
Service charges - other		1 193	985	1 245	1 543	1 543	1 543	1 543	1 635	1 698	1 837
Rental of facilities and equipment		6 090	5 879	6 406	7 282	7 282	7 282	7 282	7 719	8 014	8 674
Interest earned - external investments		7 604	3 676	2 893	1 846	1 846	4 487	4 487	1 957	1 857	2 199
Interest earned - outstanding debtors		4 136	3 472	4 066	3 905	3 905	3 658	3 658	4 139	4 718	4 651
Dividends received		–	–	–	–	–	–	–	–	–	–
Fines		751	662	559	2 046	2 046	641	641	2 169	3 293	2 437
Licences and permits		151	137	194	230	230	154	154	244	254	274
Agency services		2 259	2 614	2 667	2 702	2 702	2 687	2 687	2 864	2 974	3 218
Transfers recognised - operational		67 291	61 433	53 668	48 732	55 067	46 594	46 594	76 178	70 916	75 016
Other revenue	2	2 985	3 513	3 717	2 498	2 423	2 467	2 467	2 690	2 804	3 030
Gains on disposal of PPE		74	–	–	2	2	0	0	2	2	2
Total Revenue (excluding capital transfers and contributions)		227 907	246 106	261 225	290 176	293 037	286 391	286 391	351 614	384 352	429 033
Expenditure By Type											
Employee related costs	2	60 391	70 568	77 083	96 698	93 480	95 446	95 446	100 399	108 433	117 102
Remuneration of councillors		4 980	5 087	5 577	6 580	6 690	6 690	6 690	7 091	7 517	7 968
Debt impairment	3	11 143	20 157	12 887	9 858	9 858	28 858	28 858	11 962	12 611	13 290
Depreciation & asset impairment	2	4 708	7 430	8 789	15 884	15 884	15 830	15 830	18 623	20 627	18 919
Finance charges		16 273	14 600	13 929	9 785	9 755	9 396	9 396	17 478	19 636	20 499
Bulk purchases	2	45 654	61 491	79 826	96 315	96 739	83 246	83 246	118 259	144 807	173 769
Other materials	8	–	–	–	–	–	–	–	–	–	–
Contracted services		5 660	5 742	9 142	8 429	9 507	9 192	9 192	9 378	9 651	10 207
Transfers and grants		528	851	1 078	1 038	1 058	999	999	1 079	1 144	1 212
Other expenditure	4, 5	60 965	52 420	46 861	29 992	30 722	30 971	30 971	48 378	50 932	51 942
Loss on disposal of PPE		–	9	28	–	–	–	–	–	–	–
Total Expenditure		210 303	238 354	255 200	274 580	273 694	280 626	280 626	332 648	375 356	414 908
Surplus/(Deficit)		17 604	7 752	6 025	15 595	19 344	5 764	5 764	18 966	8 995	14 125
Transfers recognised - capital		–	–	–	–	–	–	–	–	–	–
Contributions recognised - capital	6	11 604	17 864	46 707	54 522	54 742	39 184	39 184	62 001	33 135	20 099
Contributed assets		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		29 208	25 616	52 732	70 117	74 086	44 948	44 948	80 967	42 130	34 224
Taxation		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation		29 208	25 616	52 732	70 117	74 086	44 948	44 948	80 967	42 130	34 224
Attributable to minorities		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		29 208	25 616	52 732	70 117	74 086	44 948	44 948	80 967	42 130	34 224
Share of surplus/ (deficit) of associate	7	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year		29 208	25 616	52 732	70 117	74 086	44 948	44 948	80 967	42 130	34 224

References

1. Classifications are revenue sources and expenditure type

2. Detail to be provided in Table SA1

3. Previously described as 'bad or doubtful debts' - amounts shown should reflect the change in the provision for debt impairment

4. Expenditure type components previously shown under repairs and maintenance should be allocated back to the originating expenditure group/item; e.g. employee costs

5. Repairs & maintenance detailed in Table A9 and Table SA34c

6. Contributions are funds provided by external organisations to assist with infrastructure development; e.g. developer contributions (detail to be provided in Table SA1)

7. Equity method

WC022 Witzenberg - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Capital expenditure - Vote											
Multi-year expenditure *to be appropriated*	2										
Vote 1 - Budget & Treasury Office		–	–	–	–	–	–	–	–	–	–
Vote 2 - Civil Services		–	–	–	7 504	8 219	8 219	8 219	12 062	12 355	7 146
Vote 3 - Community & Social Services		–	–	–	60	–	–	–	60	100	–
Vote 4 - Corporate Services		–	–	–	100	101	101	101	100	100	100
Vote 5 - Electricity		–	–	–	200	200	200	200	870	–	–
Vote 6 - Executive & Council		–	–	–	–	–	–	–	–	–	–
Vote 7 - Housing		–	–	–	–	–	–	–	–	–	–
Vote 8 - Planning		–	–	–	–	–	–	–	–	–	–
Vote 9 - Public Safety		–	–	–	300	300	300	300	150	50	–
Vote 10 - Sport & Recreation		–	–	–	–	–	–	–	–	20	50
Vote 11 -		–	–	–	–	–	–	–	–	–	–
Vote 12 -		–	–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–	–
Capital multi-year expenditure sub-total	7	–	–	–	8 164	8 820	8 820	8 820	13 242	12 625	7 296
Single-year expenditure *to be appropriated*	2										
Vote 1 - Budget & Treasury Office		–	–	–	45	64	64	64	–	–	–
Vote 2 - Civil Services		–	–	–	50 425	58 666	58 838	58 838	42 961	24 799	14 322
Vote 3 - Community & Social Services		–	–	–	184	829	829	829	1 431	276	570
Vote 4 - Corporate Services		–	–	–	2 365	1 143	1 143	1 143	2 857	630	3 266
Vote 5 - Electricity		–	–	–	1 848	3 606	3 606	3 606	3 066	763	400
Vote 6 - Executive & Council		–	–	–	–	–	–	–	–	–	–
Vote 7 - Housing		–	–	–	1	6	6	6	–	70	–
Vote 8 - Planning		–	–	–	3	16	16	16	450	–	–
Vote 9 - Public Safety		–	–	–	963	1 654	1 852	1 852	1 044	560	370
Vote 10 - Sport & Recreation		–	–	–	3 699	4 812	4 839	4 839	9 891	7 061	4 450
Vote 11 -		–	–	–	–	–	–	–	–	–	–
Vote 12 -		–	–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–	–
Capital single-year expenditure sub-total		–	–	–	59 532	70 796	71 192	71 192	61 700	34 160	23 378
Total Capital Expenditure - Vote		–	–	–	67 697	79 616	80 012	80 012	74 943	46 785	30 675
Capital Expenditure - Standard											
Governance and administration		–	–	–	2 517	1 330	1 330	1 330	2 964	737	3 616
Executive and council		–	–	–	–	52	52	52	–	–	–
Budget and treasury office		–	–	–	45	64	64	64	–	–	–
Corporate services		–	–	–	2 472	1 214	1 214	1 214	2 964	737	3 616
Community and public safety		–	–	–	5 188	7 480	7 705	7 705	12 246	8 130	5 190
Community and social services		–	–	–	236	718	718	718	169	369	320
Sport and recreation		–	–	–	3 699	4 812	4 839	4 839	9 891	7 081	4 500
Public safety		–	–	–	1 253	1 944	2 142	2 142	2 186	610	370
Housing		–	–	–	1	6	6	6	–	70	–
Health		–	–	–	–	–	–	–	–	–	–
Economic and environmental services		–	–	–	15 789	23 573	23 573	23 573	19 754	8 171	6 652
Planning and development		–	–	–	3	16	16	16	1 765	–	–
Road transport		–	–	–	15 784	23 468	23 468	23 468	17 989	8 171	6 652
Environmental protection		–	–	–	1	89	89	89	–	–	–
Trading services		–	–	–	44 203	47 233	47 405	47 405	39 979	29 747	15 216
Electricity		–	–	–	2 027	3 777	3 777	3 777	2 933	740	400
Water		–	–	–	26 238	22 982	22 982	22 982	23 992	22 961	6 846
Waste water management		–	–	–	15 280	19 640	19 811	19 811	12 553	5 824	6 920
Waste management		–	–	–	658	835	835	835	501	222	1 050
Other		–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Standard	3	–	–	–	67 697	79 616	80 012	80 012	74 943	46 785	30 675
Funded by:											
National Government		–	–	–	24 875	33 839	34 010	34 010	55 637	33 135	20 099
Provincial Government		–	–	–	19 557	20 317	20 317	20 317	6 364	–	–
District Municipality		–	–	–	–	1 962	1 962	1 962	–	–	–
Other transfers and grants		–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital	4	–	–	–	44 433	56 118	56 289	56 289	62 001	33 135	20 099
Public contributions & donations	5	–	–	–	–	–	–	–	–	–	–
Borrowing	6	–	–	–	–	–	–	–	–	–	–
Internally generated funds		–	–	–	23 264	23 498	23 723	23 723	12 941	13 650	10 576
Total Capital Funding	7	–	–	–	67 697	79 616	80 012	80 012	74 943	46 785	30 675

References

1. Municipalities may choose to appropriate for capital expenditure for three years or for one year (if one year appropriation projected expenditure required for yr2 and yr3).

2. Include capital component of PPP unitary payment. Note that capital transfers are only appropriated to municipalities for the budget year

3. Capital expenditure by standard classification must reconcile to the appropriations by vote

4. Must reconcile to supporting table SA20 and to Budgeted Financial Performance (revenue and expenditure)

5. Must reconcile to Budgeted Financial Performance (revenue and expenditure)

6. Include finance leases and PPP capital funding component of unitary payment - total borrowing/repayments to reconcile to changes in Table SA17

7. Total Capital Funding must balance with Total Capital Expenditure

8. Include any capitalised interest (MFMA section 46) as part of relevant capital budget

WC022 Witzenberg - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Capital expenditure - Municipal Vote											
Multi-year expenditure appropriation	2										
Vote 1 - Budget & Treasury Office		–	–	–	–	–	–	–	–	–	–
1.1 - Property Rates		–	–	–	–	–	–	–	–	–	–
1.2 - Financial Administration		–	–	–	–	–	–	–	–	–	–
1.3 - Income		–	–	–	–	–	–	–	–	–	–
1.4 - Treasury : Supply Chain		–	–	–	–	–	–	–	–	–	–
1.5 - Treasury : Audit		–	–	–	–	–	–	–	–	–	–
Vote 2 - Civil Services		–	–	–	7 504	8 219	8 219	8 219	12 062	12 355	7 146
2.1 - Public Toilets		–	–	–	–	–	–	–	–	–	–
2.2 - Sewerage		–	–	–	1 039	935	935	935	4 000	300	300
2.3 - Storm water Management		–	–	–	150	177	177	177	–	–	–
2.4 - Roads		–	–	–	2 377	2 377	2 377	2 377	600	–	–
2.5 - Solid Waste Management		–	–	–	439	230	230	230	–	–	–
2.6 - Water		–	–	–	3 500	4 500	4 500	4 500	7 462	12 055	6 846
Vote 3 - Community & Social Services		–	–	–	60	–	–	–	60	100	–
3.1 - Cemetries		–	–	–	–	–	–	–	–	–	–
3.2 - Control centre		–	–	–	–	–	–	–	–	–	–
3.3 - Library services		–	–	–	–	–	–	–	–	–	–
3.4 - Community Halls & Facilities		–	–	–	60	–	–	–	60	100	–
3.5 - Licensing & regulation		–	–	–	–	–	–	–	–	–	–
3.6 - Environmental Protection		–	–	–	–	–	–	–	–	–	–
3.7 - Social & Welfare services		–	–	–	–	–	–	–	–	–	–
3.8 - Property maintenance		–	–	–	–	–	–	–	–	–	–
3.9 - Local Economical Development		–	–	–	–	–	–	–	–	–	–
Vote 4 - Corporate Services		–	–	–	100	101	101	101	100	100	100
4.1 - Administration		–	–	–	100	101	101	101	100	100	100
4.2 - Property Administration		–	–	–	–	–	–	–	–	–	–
4.3 - Information Technology		–	–	–	–	–	–	–	–	–	–
4.4 - Human resources		–	–	–	–	–	–	–	–	–	–
4.5 - Council cost		–	–	–	–	–	–	–	–	–	–
4.6 - Town secretary		–	–	–	–	–	–	–	–	–	–
4.7 - Tourism		–	–	–	–	–	–	–	–	–	–
4.8 - Marketing & Communication		–	–	–	–	–	–	–	–	–	–
4.9 - Cliental Services		–	–	–	–	–	–	–	–	–	–
Vote 5 - Electricity		–	–	–	200	200	200	200	870	–	–
5.1 - Electricity : Administration		–	–	–	200	200	200	200	–	–	–
5.2 - Street lighting		–	–	–	–	–	–	–	870	–	–
5.3 - Mechanical Workshop		–	–	–	–	–	–	–	–	–	–
Vote 6 - Executive & Council		–	–	–	–	–	–	–	–	–	–
6.1 - Integrated Development Plannin		–	–	–	–	–	–	–	–	–	–
6.2 - Municipal Manager		–	–	–	–	–	–	–	–	–	–
6.3 - Chief Executive's		–	–	–	–	–	–	–	–	–	–
Vote 7 - Housing		–	–	–	–	–	–	–	–	–	–
7.1 - Housing		–	–	–	–	–	–	–	–	–	–
Vote 8 - Planning		–	–	–	–	–	–	–	–	–	–
8.1 - Building		–	–	–	–	–	–	–	–	–	–
8.2 - Town Planning		–	–	–	–	–	–	–	–	–	–
8.3 - Project Management		–	–	–	–	–	–	–	–	–	–
8.4 - Performance Management		–	–	–	–	–	–	–	–	–	–
Vote 9 - Public Safety		–	–	–	300	300	300	300	150	50	–
9.1 - Fire Protection		–	–	–	–	–	–	–	–	–	–
9.2 - Police & Traffic		–	–	–	300	300	300	300	150	50	–
9.3 - Disaster management		–	–	–	–	–	–	–	–	–	–
9.4 - Vehicle Licensing & Testing		–	–	–	–	–	–	–	–	–	–
Vote 10 - Sport & Recreation		–	–	–	–	–	–	–	–	20	50
10.1 - Pine Forest Resort		–	–	–	–	–	–	–	–	–	–
10.2 - Klipriver Park Resort		–	–	–	–	–	–	–	–	–	–
10.3 - Parks		–	–	–	–	–	–	–	–	20	50
10.4 - Sport grounds		–	–	–	–	–	–	–	–	–	–
10.5 - Swimming pools		–	–	–	–	–	–	–	–	–	–
Capital multi-year expenditure sub-total		–	–	–	8 164	8 820	8 820	8 820	13 242	12 625	7 296

Capital expenditure - Municipal Vote											
Single-year expenditure appropriation	2										
Vote 1 - Budget & Treasury Office		–	–	–	45	64	64	64	–	–	–
1.1 - Property Rates		–	–	–	–	–	–	–	–	–	–
1.2 - Financial Administration		–	–	–	4	22	22	22	–	–	–
1.3 - Income		–	–	–	38	38	38	38	–	–	–
1.4 - Treasury : Supply Chain		–	–	–	3	4	4	4	–	–	–
Vote 2 - Civil Services		–	–	–	50 425	58 666	58 838	58 838	42 961	24 799	14 322
2.1 - Public Toilets		–	–	–	4	4	4	4	–	–	–
2.2 - Sewerage		–	–	–	11 393	15 361	15 532	15 532	8 086	5 208	6 620
2.3 - Storm water Management		–	–	–	2 695	3 163	3 163	3 163	467	316	–
2.4 - Roads		–	–	–	13 376	21 052	21 052	21 052	17 378	8 148	6 652
2.5 - Solid Waste Management		–	–	–	220	605	605	605	501	222	1 050
2.6 - Water		–	–	–	22 738	18 482	18 482	18 482	16 530	10 906	–
Vote 3 - Community & Social Services		–	–	–	184	829	829	829	1 431	276	570
3.1 - Cemetries		–	–	–	79	79	79	79	54	124	70
3.2 - Control centre		–	–	–	1	15	15	15	–	–	–
3.3 - Library services		–	–	–	–	–	–	–	–	40	–
3.4 - Community Halls & Facilities		–	–	–	46	559	559	559	55	106	–
3.5 - Licensing & regulation		–	–	–	–	–	–	–	–	–	–
3.6 - Environmental Protection		–	–	–	1	89	89	89	–	–	–
3.7 - Social & Welfare services		–	–	–	51	81	81	81	–	–	250
3.8 - Property maintenance		–	–	–	6	6	6	6	7	7	250
3.9 - Local Economical Development		–	–	–	–	–	–	–	1 315	–	–
Vote 4 - Corporate Services		–	–	–	2 365	1 143	1 143	1 143	2 857	630	3 266
4.1 - Administration		–	–	–	–	–	–	–	243	220	200
4.2 - Property Administration		–	–	–	2 035	219	219	219	2 159	–	2 516
4.3 - Information Technology		–	–	–	320	507	507	507	355	260	200
4.4 - Human resources		–	–	–	10	230	230	230	–	–	150
4.5 - Council cost		–	–	–	–	52	52	52	–	–	–
4.6 - Town secretary		–	–	–	–	–	–	–	–	–	–
4.7 - Tourism		–	–	–	–	–	–	–	–	–	–
4.8 - Marketing & Communication		–	–	–	–	135	135	135	100	150	200
4.9 - Cliental Services		–	–	–	–	–	–	–	–	–	–
Vote 5 - Electricity		–	–	–	1 848	3 606	3 606	3 606	3 066	763	400
5.1 - Electricity : Administration		–	–	–	1 827	3 577	3 577	3 577	2 933	740	400
5.2 - Street lighting		–	–	–	–	–	–	–	122	–	–
5.3 - Mechanical Workshop		–	–	–	21	29	29	29	11	23	–
Vote 6 - Executive & Council		–	–	–	–	–	–	–	–	–	–
6.1 - Integrated Development Plannin		–	–	–	–	–	–	–	–	–	–
6.2 - Municipal Manager		–	–	–	–	–	–	–	–	–	–
6.3 - Chief Executive's		–	–	–	–	–	–	–	–	–	–
Vote 7 - Housing		–	–	–	1	6	6	6	–	70	–
7.1 - Housing		–	–	–	1	6	6	6	–	70	–
Vote 8 - Planning		–	–	–	3	16	16	16	450	–	–
8.1 - Building		–	–	–	3	2	2	2	–	–	–
8.2 - Town Planning		–	–	–	–	14	14	14	–	–	–
8.3 - Project Management		–	–	–	–	–	–	–	450	–	–
8.4 - Performance Management		–	–	–	–	–	–	–	–	–	–
Vote 9 - Public Safety		–	–	–	963	1 654	1 852	1 852	1 044	560	370
9.1 - Fire Protection		–	–	–	393	1 017	1 017	1 017	1 044	–	370
9.2 - Police & Traffic		–	–	–	544	625	823	823	–	560	–
9.3 - Disaster management		–	–	–	16	1	1	1	–	–	–
9.4 - Vehicle Licensing & Testing		–	–	–	10	10	10	10	–	–	–
Vote 10 - Sport & Recreation		–	–	–	3 699	4 812	4 839	4 839	9 891	7 061	4 450
10.1 - Pine Forest Resort		–	–	–	110	170	170	170	156	6	–
10.2 - Klipriver Park Resort		–	–	–	24	17	17	17	–	–	–
10.3 - Parks		–	–	–	436	381	408	408	2 215	4 426	750
10.4 - Sport grounds		–	–	–	8	8	8	8	2 092	2 509	3 600
10.5 - Swimming pools		–	–	–	3 122	4 236	4 236	4 236	5 428	120	100
Capital single-year expenditure sub-total		–	–	–	59 532	70 796	71 192	71 192	61 700	34 160	23 378
Total Capital Expenditure		–	–	–	67 697	79 616	80 012	80 012	74 943	46 785	30 675

WC022 Witzenberg - Table A6 Budgeted Financial Position

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
ASSETS											
Current assets											
Cash		29	4 684	10 261	365	1 351	1 351	1 351	1 071	831	833
Call investment deposits	1	32 543	38 819	11 614	23 000	23 000	23 000	23 000	23 000	23 000	23 000
Consumer debtors	1	26 564	30 463	36 718	36 308	32 853	32 853	32 853	33 543	35 141	36 698
Other debtors		–	306	6 209	6 209	6 209	6 209	6 209	1 373	1 112	901
Current portion of long-term receivables		–	58	67	120	120	120	120	42	36	30
Inventory	2	–	4 426	5 341	5 727	5 727	5 727	5 727	5 308	5 626	6 020
Total current assets		59 136	78 756	70 209	71 729	69 260	69 260	69 260	64 337	65 746	67 482
Non current assets											
Long-term receivables		–	406	241	240	240	240	240	392	385	379
Investments		–	23	23	–	–	–	–	–	–	–
Investment property		–	–	–	–	–	–	–	–	–	–
Investment in Associate		–	–	–	–	–	–	–	23	23	23
Property, plant and equipment	3	129 058	150 167	203 329	232 736	223 040	223 040	223 040	269 883	295 392	299 847
Agricultural		–	–	–	–	–	–	–	–	–	–
Biological		–	–	–	–	–	–	–	–	–	–
Intangible		–	227	1 011	–	–	–	–	337	337	337
Other non-current assets		–	2 166	1 389	–	–	–	–	–	–	–
Total non current assets		129 058	152 989	205 993	232 976	223 280	223 280	223 280	270 635	296 137	300 586
TOTAL ASSETS		188 194	231 745	276 202	304 705	292 540	292 540	292 540	334 972	361 883	368 068
LIABILITIES											
Current liabilities											
Bank overdraft	1	–	–	–	–	–	–	–	–	–	–
Borrowing	4	7 511	7 919	8 172	5 649	5 649	5 649	5 649	8 045	8 700	9 300
Consumer deposits		–	1 633	1 691	1 504	1 504	1 504	1 504	2 048	2 294	2 569
Trade and other payables	4	36 246	51 539	42 815	39 377	31 151	31 151	31 151	26 073	25 043	25 952
Provisions		–	11 006	11 982	11 982	11 982	11 982	11 982	21 102	27 511	34 432
Total current liabilities		43 757	72 097	64 660	58 511	50 285	50 285	50 285	57 268	63 548	72 253
Non current liabilities											
Borrowing		59 426	48 553	42 932	34 760	34 760	34 760	34 760	36 959	28 914	20 214
Provisions		41 199	55 507	71 120	78 790	78 790	78 790	78 790	75 413	80 413	85 413
Total non current liabilities		100 626	104 060	114 052	113 550	113 550	113 550	113 550	112 372	109 327	105 627
TOTAL LIABILITIES		144 382	176 157	178 711	172 061	163 835	163 835	163 835	169 641	172 875	177 880
NET ASSETS	5	43 812	55 589	97 491	132 644	128 705	128 705	128 705	165 331	189 007	190 188
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		32 219	48 416	91 854	127 149	123 210	123 210	123 210	157 580	181 256	182 437
Reserves	4	11 593	7 172	5 637	5 495	5 495	5 495	5 495	7 751	7 751	7 751
Minorities' interests									–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	5	43 812	55 589	97 491	132 644	128 705	128 705	128 705	165 331	189 007	190 188

References

1. Detail to be provided in Table SA3

2. Include completed low cost housing to be transferred to beneficiaries within 12 months

3. Include 'Construction-work-in-progress' (disclosed separately in annual financial statements)

4. Detail to be provided in Table SA3. Includes reserves to be funded by statute.

5. Net assets must balance with Total Community Wealth/Equity

WC022 Witzenberg - Table A7 Budgeted Cash Flows

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Ratepayers and other		121 158	170 192	165 856	226 376	222 920	222 920	222 920	257 376	294 248	333 875
Government - operating	1	61 433	61 263	53 585	48 732	54 742	54 742	54 742	76 178	70 916	75 016
Government - capital	1	17 820	17 504	46 707	50 995	50 995	50 995	50 995	62 001	33 135	20 099
Interest		8 822	7 143	6 954	5 751	5 751	5 751	5 751	6 096	6 575	6 850
Dividends		–	–		–		–	–	–	(150)	(170)
Payments											
Suppliers and employees		(174 015)	(195 880)	(212 886)	(248 488)	(248 004)	(248 004)	(248 004)	(297 547)	(332 717)	(373 083)
Finance charges		(13 456)	(11 502)	(12 054)	(9 785)	(9 785)	(9 785)	(9 785)	(17 139)	(14 268)	(14 810)
Transfers and Grants	1	(851)	(711)	(653)	(1 038)	(1 038)	(1 038)	(1 038)	(1 079)	(1 144)	(1 212)
NET CASH FROM/(USED) OPERATING ACTIVITIES		20 911	48 009	47 509	72 543	75 581	75 581	75 581	85 887	56 595	46 565
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		–	–	–	–	–	–	–	2	2	2
Decrease (Increase) in non-current debtors		–	–	–	322	322	322	322	–	–	–
Decrease (increase) other non-current receivables		2	86	34	14	14	14	14	–	–	–
Decrease (increase) in non-current investments		3 338		–	–	–	–	–	–	–	–
Payments											
Capital assets		(20 195)	(29 799)	(61 988)	(67 697)	(77 392)	(77 392)	(77 392)	–	(46 785)	(30 675)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(16 855)	(29 713)	(61 954)	(67 360)	(77 056)	(77 056)	(77 056)	2	(46 783)	(30 673)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		18 760	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits		–	144	58	219	219	219	219	–	–	–
Payments											
Repayment of borrowing		(10 019)	(7 511)	(7 241)	(7 441)	(7 441)	(7 441)	(7 441)	(7 441)	(8 045)	(8 700)
NET CASH FROM/(USED) FINANCING ACTIVITIES		8 742	(7 367)	(7 183)	(7 221)	(7 221)	(7 221)	(7 221)	(7 441)	(8 045)	(8 700)
NET INCREASE/ (DECREASE) IN CASH HELD		12 797	10 930	(21 628)	(2 038)	(8 696)	(8 696)	(8 696)	78 448	1 766	7 192
Cash/cash equivalents at the year begin:	2	19 775	32 573	43 502	43 502	43 502	43 502	43 502	34 806	113 255	115 021
Cash/cash equivalents at the year end:	2	32 573	43 502	21 874	41 464	34 806	34 806	34 806	113 255	115 021	122 213

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities

2. Cash equivalents includes investments with maturities of 3 months or less

WC022 Witzenberg - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Cash and investments available											
Cash/cash equivalents at the year end	1	32 573	43 502	21 874	41 464	34 806	34 806	34 806	113 255	115 021	122 213
Other current investments > 90 days		(0)	(0)	(0)	(18 099)	(10 455)	(10 455)	(10 455)	(89 184)	(91 190)	(98 380)
Non current assets - Investments	1	–	23	23	–	–	–	–	–	–	–
Cash and investments available:		32 573	43 525	21 897	23 365	24 351	24 351	24 351	24 071	23 831	23 833
Application of cash and investments											
Unspent conditional transfers		14 631	25 476	15 571	12 519	1 096	1 096	1 096	18 462	17 052	17 481
Unspent borrowing		–	–	–	–	–	–		–	–	–
Statutory requirements	2										
Other working capital requirements	3	570	(4 329)	(8 126)	(13 541)	(7 049)	(7 178)	(7 178)	(25 619)	(26 610)	(27 571)
Other provisions											
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		15 202	21 147	7 445	(1 021)	(5 953)	(6 082)	(6 082)	(7 156)	(9 558)	(10 089)
Surplus(shortfall)		17 371	22 378	14 452	24 386	30 305	30 434	30 434	31 227	33 389	33 922

References

1. Must reconcile with Budgeted Cash Flows

2. For example: VAT, taxation

3. Council approval for policy required - include sufficient working capital (e.g. allowing for a % of current debtors > 90 days as uncollectable)

4. For example: sinking fund requirements for borrowing

5. Council approval required for each reserve created and basis of cash backing of reserves

WC022 Witzenberg - Table A9 Asset Management

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
CAPITAL EXPENDITURE										
Total New Assets	1	20 186	29 722	57 923	64 097	63 740	63 756	62 655	35 799	17 547
Infrastructure - Road transport		7 669	7 237	13 506	17 342	19 847	19 847	10 356	5 380	3 652
Infrastructure - Electricity		2 411	2 155	699	500	641	641	1 592	600	400
Infrastructure - Water		3 931	9 028	13 850	25 923	20 602	20 602	23 677	22 945	6 846
Infrastructure - Sanitation		–	1 644	4 667	10 629	7 075	7 075	7 006	300	–
Infrastructure - Other		322	1 007	394	1 316	3 177	3 177	4 265	–	–
Infrastructure		*14 334*	*21 071*	*33 116*	*55 710*	*51 343*	*51 343*	*46 896*	*29 225*	*10 899*
Community		724	2 987	14 558	3 082	4 196	4 196	5 642	1 203	1 613
Heritage assets		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Other assets	6	4 833	5 663	10 249	5 300	7 966	7 982	10 116	5 370	5 036
Agricultural Assets		–	–	–	–	–	–	–	–	–
Biological assets		–	–	–	–	–	–	–	–	–
Intangibles		295	–	–	6	235	235	–	–	–
Total Renewal of Existing Assets	2	–	–	4 011	3 599	15 876	16 257	12 288	10 986	13 127
Infrastructure - Road transport		–	–	350	350	3 470	3 470	3 363	3 053	3 000
Infrastructure - Electricity		–	–	286	–	–	–	–	–	–
Infrastructure - Water		–	–	–	–	–	–	–	–	–
Infrastructure - Sanitation		–	–	1 308	1 788	9 096	9 267	5 073	5 200	6 900
Infrastructure - Other		–	–	–	–	–	–	–	–	–
Infrastructure		–	–	*1 944*	*2 138*	*12 566*	*12 737*	*8 436*	*8 253*	*9 900*
Community		–	–	465	50	68	68	1 854	1 767	2 157
Heritage assets		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Other assets	6	–	–	1 602	1 291	2 984	3 193	1 937	967	1 070
Agricultural Assets		–	–	–	–	–	–	–	–	–
Biological assets		–	–	–	–	–	–	–	–	–
Intangibles		–	–	–	120	258	258	60	–	–
Total Capital Expenditure	4									
Infrastructure - Road transport		7 669	7 237	13 856	17 692	23 317	23 317	13 720	8 433	6 652
Infrastructure - Electricity		2 411	2 155	985	500	641	641	1 592	600	400
Infrastructure - Water		3 931	9 028	13 850	25 923	20 602	20 602	23 677	22 945	6 846
Infrastructure - Sanitation		–	1 644	5 976	12 417	16 171	16 342	12 079	5 500	6 900
Infrastructure - Other		322	1 007	394	1 316	3 177	3 177	4 265	–	–
Infrastructure		*14 334*	*21 071*	*35 060*	*57 848*	*63 908*	*64 080*	*55 332*	*37 478*	*20 799*
Community		724	2 987	15 023	3 132	4 265	4 265	7 497	2 970	3 770
Heritage assets		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Other assets		4 833	5 663	11 851	6 591	10 950	11 175	12 053	6 337	6 106
Agricultural Assets		–	–	–	–	–	–	–	–	–
Biological assets		–	–	–	–	–	–	–	–	–
Intangibles		295	–	–	126	493	493	60	–	–
TOTAL CAPITAL EXPENDITURE - Asset class	2	20 186	29 722	61 934	67 697	79 616	80 012	74 943	46 785	30 675
ASSET REGISTER SUMMARY - PPE (WDV)	5									
Infrastructure - Road transport		–	–	–	17 692	23 317	23 317	37 037	45 470	52 122
Infrastructure - Electricity		–	–	–	500	641	641	2 233	2 833	3 233
Infrastructure - Water		–	–	–	25 923	20 602	20 602	44 279	67 224	74 070
Infrastructure - Sanitation		–	–	–	12 417	16 171	16 342	28 421	33 921	33 921
Infrastructure - Other		–	–	–	1 316	3 177	3 177	7 442	7 442	7 442
Infrastructure		–	–	–	*57 848*	*63 908*	*64 080*	*119 412*	*156 890*	*170 789*
Community		–	–	–	3 132	4 265	4 265	11 761	14 731	18 501
Heritage assets		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Other assets		–	–	–	(9 167)	(4 441)	(4 162)	(10 672)	(24 962)	(37 775)
Agricultural Assets		–	–	–	–	–	–	–	–	–
Biological assets		–	–	–	–	–	–	–	–	–
Intangibles		–	227	1 011	–	–	–	337	337	337
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	–	227	1 011	51 812	63 732	64 182	120 838	146 997	151 852
EXPENDITURE OTHER ITEMS										
Depreciation & asset impairment		4 708	7 430	8 789	15 884	15 884	15 830	18 623	20 627	18 919
Repairs and Maintenance by Asset Class	3	9 965	8 942	11 005	12 612	14 402	15 609	14 252	15 081	16 078
Infrastructure - Road transport		3 080	2 634	3 387	4 221	4 588	4 084	3 218	3 436	3 669
Infrastructure - Electricity		1 936	1 645	2 047	2 133	3 371	3 924	3 573	3 788	4 015
Infrastructure - Water		667	511	842	655	892	1 052	974	1 052	1 137
Infrastructure - Sanitation		1 332	1 352	1 561	1 166	1 023	1 650	1 323	1 419	1 522
Infrastructure - Other		–	–	–	–	–	–	–	–	–
Infrastructure		*7 015*	*6 143*	*7 837*	*8 175*	*9 874*	*10 710*	*9 089*	*9 695*	*10 342*
Community		132	189	196	246	246	436	737	423	443
Heritage assets		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Other assets	6, 7	2 819	2 610	2 972	4 190	4 281	4 463	4 426	4 963	5 292
TOTAL EXPENDITURE OTHER ITEMS		14 673	16 372	19 794	28 496	30 286	31 439	32 875	35 708	34 997
Renewal of Existing Assets as % of total capex		*0.0%*	*0.0%*	*6.5%*	*5.3%*	*19.9%*	*20.3%*	*16.4%*	*23.5%*	*42.8%*
Renewal of Existing Assets as % of deprecn"		*0.0%*	*0.0%*	*45.6%*	*22.7%*	*99.9%*	*102.7%*	*66.0%*	*53.3%*	*69.4%*
R&M as a % of PPE		*7.7%*	*6.0%*	*5.4%*	*5.4%*	*6.5%*	*7.0%*	*5.3%*	*5.1%*	*5.4%*
Renewal and R&M as a % of PPE		*0.0%*	*3933.0%*	*1486.0%*	*31.0%*	*48.0%*	*50.0%*	*22.0%*	*18.0%*	*19.0%*

References

1. Detail of new assets provided in Table SA34a

2. Detail of renewal of existing assets provided in Table SA34b

3. Detail of Repairs and Maintenance by Asset Class provided in Table SA34c

4. Must reconcile to total capital expenditure on Budgeted Capital Expenditure

5. Must reconcile to 'Budgeted Financial Position' (written down value)

6. Donated/contributed and assets funded by finance leases to be allocated to the respective category

WC022 Witzenberg - Table A10 Basic service delivery measurement

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Household service targets	1									
Water:										
Piped water inside dwelling		Not available	Not available	Not available	Not available	Not available		Not available	Not available	Not available
Piped water inside yard (but not in dwelling)		9 911	10 701	10 835	10 845	10 845	10 845	10 845	10 845	10 845
Using public tap (at least min.service level)	2	1 500	1 686	1 691	1 691	1 691		1 691	1 691	1 691
Other water supply (at least min.service level)	4					–	–			–
Minimum Service Level and Above sub-total		11 411	12 387	12 526	12 536	12 536	10 845	12 536	12 536	12 536
Using public tap (< min.service level)	3						–			–
Other water supply (< min.service level)	4						–			–
No water supply							–			–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	11 411	12 387	12 526	12 536	12 536	10 845	12 536	12 536	12 536
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		9 538	10 220	10 296	10 300	10 300	10 300	10 300	10 300	10 300
Flush toilet (with septic tank)		763	736	735	730	730	730	730	730	730
Chemical toilet		1 500	1 686	1 691	1 691	1 691	1 691	1 691	1 691	1 691
Pit toilet (ventilated)						–	–			–
Other toilet provisions (> min.service level)						–	–			–
Minimum Service Level and Above sub-total		11 801	12 642	12 722	12 721	12 721	12 721	12 721	12 721	12 721
Bucket toilet							–			–
Other toilet provisions (< min.service level)							–			–
No toilet provisions							–			–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	11 801	12 642	12 722	12 721	12 721	12 721	12 721	12 721	12 721
Energy:										
Electricity (at least min.service level)		1 860	1 849	1 768	1 769	1 769	1 769	1 769	1 769	1 769
Electricity - prepaid (min.service level)		8 063	8 757	8 855	8 856	8 856	8 856	8 856	8 856	8 856
Minimum Service Level and Above sub-total		9 923	10 606	10 623	10 625	10 625	10 625	10 625	10 625	10 625
Electricity (< min.service level)							–			–
Electricity - prepaid (< min. service level)		1 488	2 190	2 190	2 408	2 408	2 408	2 408	2 408	2 408
Other energy sources							–			–
Below Minimum Service Level sub-total		1 488	2 190	2 190	2 408	2 408	2 408	2 408	2 408	2 408
Total number of households	5	11 411	12 796	12 813	13 033	13 033	13 033	13 033	13 033	13 033
Refuse:										
Removed at least once a week		9 538	10 911	11 057	11 067	11 067	11 067	11 077	11 087	11 087
Minimum Service Level and Above sub-total		9 538	10 911	11 057	11 067	11 067	11 067	11 077	11 087	11 087
Removed less frequently than once a week							–			–
Using communal refuse dump							–			–
Using own refuse dump							–			–
Other rubbish disposal							–			–
No rubbish disposal							–			–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	9 538	10 911	11 057	11 067	11 067	11 067	11 077	11 087	11 087
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		2 259	2 361	3 300	3 465	3 465	3 465	3 638	3 820	3 820
Sanitation (free minimum level service)		2 052	2 142	3 300	3 465	3 465	3 465	3 638	3 820	3 820
Electricity/other energy (50kwh per household per month)		2 259	2 361	3 300	3 465	3 465	3 465	3 638	3 820	3 820
Refuse (removed at least once a week)		2 052	2 142	3 300	3 465	3 465	3 465	3 638	3 820	3 820
Cost of Free Basic Services provided (R'000)	8						–			–
Water (6 kilolitres per household per month)		1 271	1 871	3 900	3 026	3 026	3 026	3 754	4 094	4 094
Sanitation (free sanitation service)		1 970	2 898	4 000	5 257	5 257	5 257	5 744	6 265	6 265
Electricity/other energy (50kwh per household per month)		587	864	1 600	1 465	1 465	1 465	1 749	1 927	1 927
Refuse (removed once a week)		2 152	3 166	5 200	5 606	5 606	5 606	6 126	6 685	6 685
Total cost of FBS provided (minimum social package)		5 980	8 800	14 700	15 353	15 353	15 353	17 373	18 971	18 971
Highest level of free service provided										
Property rates (R value threshold)		15 000	70 000	70 000	70 000	70 000	70 000	70 000	70 000	70 000
Water (kilolitres per household per month)		6	6	6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)		NA	NA	NA	NA	NA	NA	NA	NA	NA
Sanitation (Rand per household per month)		116	122	122	125	125	125	130	136	136
Electricity (kwh per household per month)		50	50	50	50	50	50	50	50	50
Refuse (average litres per week)		120	120	120	134	134	134	140	145	145
Revenue cost of free services provided (R'000)	9									
Property rates (R15 000 threshold rebate)		NA	NA	NA	NA	NA	NA	NA	NA	NA
Property rates (other exemptions, reductions and rebates)		–	1 210	2 341	2 464	2 464	2 464	2 727	2 977	2 977
Water		1 780	1 944	3 900	3 026	3 026	3 026	3 754	4 094	4 094
Sanitation		2 503	2 937	4 000	5 257	5 257	5 257	5 744	6 265	6 265
Electricity/other energy		675	911	1 600	1 465	1 465	1 465	1 749	1 927	1 927
Refuse		2 693	3 128	5 200	5 606	5 606	5 606	6 126	6 685	6 685
Municipal Housing - rental rebates		–	204	311	331	331	331	347	364	364
Housing - top structure subsidies	6			–	–	–	–	–		–
Other		–	406	406	294	294	294	244	262	262
Total revenue cost of free services provided (total social package)		7 652	10 741	17 758	18 442	18 442	18 442	20 691	22 574	22 574

WC022 Witzenberg - Supporting Table SA1 Supportinging detail to 'Budgeted Financial Performance'

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
REVENUE ITEMS:											
Property rates	6										
Total Property Rates		22 354	27 845	31 142	41 773	37 894	37 951	37 951	46 115	48 772	51 692
less Revenue Foregone		509	1 149	627	2 464	2 464	2 277	2 277	2 727	2 977	2 935
Net Property Rates		21 845	26 695	30 515	39 309	35 430	35 674	35 674	43 388	45 794	48 757
Service charges - electricity revenue	6										
Total Service charges - electricity revenue		71 086	90 902	107 587	128 379	128 803	128 803	128 803	154 532	185 396	216 881
less Revenue Foregone		587	864	1 241	1 465	1 465	1 465	1 465	1 749	1 927	1 745
Net Service charges - electricity revenue		70 498	90 038	106 347	126 914	127 338	127 338	127 338	152 783	183 469	215 137
Service charges - water revenue	6										
Total Service charges - water revenue		21 377	24 381	26 552	30 648	30 648	30 648	30 648	32 323	34 001	36 503
less Revenue Foregone		1 871	1 871	3 200	3 026	3 026	3 026	3 026	3 177	3 336	3 503
Net Service charges - water revenue		19 507	22 511	23 352	27 623	27 623	27 623	27 623	29 146	30 666	33 000
Service charges - sanitation revenue											
Total Service charges - sanitation revenue		12 815	14 146	16 346	16 788	16 846	17 042	17 042	17 620	18 492	19 995
less Revenue Foregone		1 970	2 898	4 075	5 257	5 257	5 257	5 257	5 520	5 796	6 086
Net Service charges - sanitation revenue		10 846	11 248	12 272	11 531	11 589	11 785	11 785	12 100	12 696	13 910
Service charges - refuse revenue	6										
Total refuse removal revenue		14 148	15 696	17 338	18 943	18 943	18 955	18 955	19 755	20 561	22 561
Total landfill revenue											
less Revenue Foregone		2 152	3 166	4 758	5 606	5 606	5 606	5 606	5 886	6 180	6 489
Net Service charges - refuse revenue		11 996	12 530	12 580	13 337	13 337	13 350	13 350	13 869	14 381	16 072
Other Revenue by source											
Housing		479	483	478	449	449	466	466	476	494	535
Miscellaneous (Taxable)		631	1 101	1 100	719	719	1 331	1 331	762	792	857
Damagages Income		45	63	6	57	57	19	19	61	63	68
Miscellaneous (Non Taxable)		309	100	650	265	265	89	89	281	292	316
Private work		4	(0)	(49)	4	(71)	(60)	(60)	47	53	60
Return on sale of unserviced l		24	189	121	–	–	–	–	–	–	–
Skills Development Levies rece		58	–	–	410	410	144	144	435	451	488
Insurance Claims Received		694	597	150	378	378	308	308	401	417	450
Vehicle access: Visitors		157	135	150	70	70	164	164	74	79	83
Refuse bags		2	1	1	2	2	5	5	2	2	2
Special Projects		2	15	11	–	–	–	–	–	–	–
Other Revenue by source	3	579	829	1 098	143	143	2	2	152	161	170
Total 'Other' Revenue	1	2 985	3 513	3 717	2 498	2 423	2 467	2 467	2 690	2 804	3 030
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	36 844	42 879	47 961	59 866	56 565	56 493	56 493	61 791	66 734	72 073
Pension and UIF Contributions		6 734	8 170	8 646	10 859	10 859	10 852	10 852	11 637	12 569	13 575
Medical Aid Contributions		2 828	3 232	3 591	5 421	5 296	5 287	5 287	5 706	6 162	6 656
Overtime		2 916	3 161	3 719	3 300	3 321	4 397	4 397	3 801	4 105	4 434
Performance Bonus		3 067	3 873	4 399	4 762	4 742	4 750	4 750	5 339	5 766	6 228
Motor Vehicle Allowance		–	–	–	–	–	–	–	–	–	–
Cellphone Allowance		–	–	–	–	–	–	–	–	–	–
Housing Allowances		920	757	698	705	705	696	696	758	819	885
Other benefits and allowances		4 573	4 969	5 325	6 069	6 276	8 030	8 030	7 513	8 114	8 756
Payments in lieu of leave		983	1 925	890	566	566	1 955	1 955	611	660	713
Long service awards		182	180	232	297	297	251	251	270	292	315
Post-retirement benefit obligations	4	1 346	1 423	1 623	4 854	4 854	2 735	2 735	2 973	3 211	3 468
sub-total	5	60 391	70 568	77 083	96 698	93 480	95 446	95 446	100 399	108 433	117 102
Less: Employees costs capitalised to PPE		–	–	–	–	–	–	–	–	–	–
Total Employee related costs	1	60 391	70 568	77 083	96 698	93 480	95 446	95 446	100 399	108 433	117 102
Contributions recognised - capital											
Dept of Sport		–	–	–	–	–	–	–	109	–	–
CAPEX PROV. Grant Rec-IHHSDG		–	–	–	18 680	18 680	3 777	3 777	6 254	–	–
CAPEX NAT. Grant Rec- MIG		9	11 387	–	16 403	16 403	16 216	16 216	19 104	19 672	20 099
CAPEX NAT. Grant Rec- RBIG		–	2 901	–	14 912	14 912	14 912	14 912	18 026	9 263	–
CAPEX NAT Grant- Rural Develop		–	–	–	–	–	–	–	10 007	4 000	–
[Default]		11 595	3 577	46 707	4 527	4 747	4 279	4 279	8 500	200	–
Total Contributions recognised - capital		11 604	17 864	46 707	54 522	54 742	39 184	39 184	62 001	33 135	20 099
Depreciation & asset impairment											
Depreciation of Property, Plant & Equipment		4 708	7 430	8 789	15 884	15 884	15 830	15 830	18 623	20 627	18 919
Lease amortisation											
Capital asset impairment											
Depreciation resulting from revaluation of PPE	10										
Total Depreciation & asset impairment	1	4 708	7 430	8 789	15 884	15 884	15 830	15 830	18 623	20 627	18 919

Bulk purchases											
Electricity Bulk Purchases		45 654	61 491	79 826	96 315	96 739	83 246	83 246	118 259	144 807	173 769
Water Bulk Purchases		–	–	–	–	–	–	–	–	–	–
Total bulk purchases	1	45 654	61 491	79 826	96 315	96 739	83 246	83 246	118 259	144 807	173 769
Transfers and grants											
Cash transfers and grants		528	851	1 078	1 038	1 058	999	999	1 079	1 144	1 212
Non-cash transfers and grants		–	–	–	–	–	–	–	–	–	–
Total transfers and grants	1	528	851	1 078	1 038	1 058	999	999	1 079	1 144	1 212
Contracted services											
Rental of Compactor		1 306	1 276	2 207	1 600	2 225	2 365	2 365	2 120	2 247	2 382
Security		1 018	734	1 975	1 113	1 711	1 535	1 535	1 273	1 350	1 431
Disconnection of services		148	401	281	450	450	613	613	477	506	536
Auditing Internal		387	649	1 347	650	980	979	979	189	200	200
Legal Costs		298	479	509	259	448	505	505	467	317	338
Cleaning Contract		167	177	165	201	195	208	208	201	213	226
Service supplier contracts		1 841	1 452	1 921	3 361	2 567	2 151	2 151	3 282	3 479	3 688
Transport (Contractor)		–	–	0	5	5	1	1	5	5	5
Transport: Cash		41	77	59	200	155	100	100	212	225	238
Cleaning Services		228	281	395	263	275	318	318	373	295	313
Security		–	–	–	–	170	196	196	180	191	202
Legal Cost (Labour)		–	–	–	–	–	–	–	250	250	250
Upkeep of Valuation records		–	0	15	110	110	60	60	119	128	139
Toilett services		227	215	269	217	217	162	162	230	244	258
Contract 15		–	–	–	–	–	–	–	–	–	–
Contract 16		–	–	–	–	–	–	–	–	–	–
Contract 17		–	–	–	–	–	–	–	–	–	–
Contract 18		–	–	–	–	–	–	–	–	–	–
Contract 19		–	–	–	–	–	–	–	–	–	–
Contract 20		–	–	–	–	–	–	–	–	–	–
Contract 21		–	–	–	–	–	–	–	–	–	–
Contract 22		–	–	–	–	–	–	–	–	–	–
Contract 23		–	–	–	–	–	–	–	–	–	–
Contract 24		–	–	–	–	–	–	–	–	–	–
[Default]		–	–	–	–	–	–	–	–	–	–
sub-total	1	5 660	5 742	9 142	8 429	9 507	9 192	9 192	9 378	9 651	10 207
Allocations to organs of state:											
Electricity		–	–	–	–	–	–	–	–	–	–
Water		–	–	–	–	–	–	–	–	–	–
Sanitation		–	–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–	–
Total contracted services		5 660	5 742	9 142	8 429	9 507	9 192	9 192	9 378	9 651	10 207
Other Expenditure By Type											
Collection costs		153	149	333	640	560	297	297	678	719	762
Contributions to 'other' provisions		–	–	–	–	–	–	–	–	–	–
Consultant fees		–	–	520	110	–	168	168	32	34	36
Audit fees		1 058	1 529	1 719	1 800	1 800	2 198	2 198	1 908	2 022	2 144
General expenses	3	8 410	12 392	23 716	15 741	15 319	14 645	14 645	17 574	17 682	18 828
List Other Expenditure by Type											
Opex Prov Grant Exp- Housing		–	–	–	–	–	–	–	10 857	15 058	15 811
Other Operating Grant expenditure		44 596	30 999	11 638	2 789	2 753	4 085	4 085	5 009	4 034	2 480
Vehicle Fleet Costs		3 146	3 028	3 551	4 144	4 889	4 469	4 469	5 091	5 462	5 788
Valuation costs		37	87	378	131	423	353	353	2 250	600	400
Telephone		881	1 026	1 219	1 037	1 053	1 104	1 104	1 138	1 213	1 292
Advertising/Printing&Stationer		1 543	1 678	1 924	1 921	2 253	2 456	2 456	1 891	2 032	2 191
Insurance		623	910	1 194	862	821	428	428	940	998	1 061
Chemicals		518	620	667	818	853	767	767	1 010	1 077	1 150
Total 'Other' Expenditure	1	60 965	52 420	46 861	29 992	30 722	30 971	30 971	48 378	50 932	51 942

by Expenditure Item	8										
Employee related costs											
Other materials											
Contracted Services											
Other Expenditure		9 965	8 942	11 005	12 612	14 564	20 350	20 350	14 202	14 881	15 878
Total Repairs and Maintenance Expenditure	9	9 965	8 942	11 005	12 612	14 564	20 350	20 350	14 202	14 881	15 878

WC022 Witzenberg - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	Ref	Vote 1 - Budget & Treasury Office	Vote 2 - Civil Services	Vote 3 - Community & Social Services	Vote 4 - Corporate Services	Vote 5 - Electricity	Vote 6 - Executive & Council	Vote 7 - Housing	Vote 8 - Planning	Vote 9 - Public Safety	Vote 10 - Sport & Recreation	Vote 11 -	Vote 12 -	Vote 13 -	Vote 14 -	Vote 15 -	Total
R thousand	1																
Revenue By Source																	
Property rates		43 882	–	(147)	–	–	–	(347)	–	–	–	–	–	–	–	–	43 388
Property rates - penalties & collection charges		729	–	–	–	–	–	–	–	–	–	–	–	–	–	–	729
Service charges - electricity revenue		–	–	–	–	152 783	–	–	–	–	–	–	–	–	–	–	152 783
Service charges - water revenue		–	29 146	–	–	–	–	–	–	–	–	–	–	–	–	–	29 146
Service charges - sanitation revenue		–	12 100	–	–	–	–	–	–	–	–	–	–	–	–	–	12 100
Service charges - refuse revenue		–	13 869	–	–	–	–	–	–	–	–	–	–	–	–	–	13 869
Service charges - other		543	14 583	147	–	1 749	–	–	944	1	–	–	–	–	–	–	17 967
Rental of facilities and equipment		–	–	303	1 000	–	–	1	–	–	6 415	–	–	–	–	–	7 719
Interest earned - external investments		1 957	–	–	–	–	–	–	–	–	–	–	–	–	–	–	1 957
Interest earned - outstanding debtors		52	3 631	–	–	242	–	214	–	–	–	–	–	–	–	–	4 139
Dividends received		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines		–	–	12	–	–	–	–	–	2 157	–	–	–	–	–	–	2 169
Licences and permits		–	–	74	–	–	–	–	–	170	–	–	–	–	–	–	244
Agency services		–	–	–	–	–	–	–	–	2 864	–	–	–	–	–	–	2 864
Other revenue		1 046	390	26	540	13	–	476	5	2	193	–	–	–	–	–	2 690
Transfers recognised - operational		7 568	101	50 078	3 131	–	–	15 000	300	–	–	–	–	–	–	–	76 178
Gains on disposal of PPE		–	2	–	–	–	–	–	–	–	–	–	–	–	–	–	2
Total Revenue (excluding capital transfers and contribution		55 778	73 822	50 493	4 671	154 787	–	15 344	1 249	5 194	6 608	–	–	–	–	–	367 946
Expenditure By Type																	
Employee related costs		11 903	24 118	12 602	12 514	9 271	7 325	2 030	3 074	6 130	11 433	–	–	–	–	–	100 399
Remuneration of councillors		–	–	–	7 091	–	–	–	–	–	–	–	–	–	–	–	7 091
Debt impairment		3 650	7 603	–	–	710	–	–	–	–	–	–	–	–	–	–	11 962
Depreciation & asset impairment		584	12 488	361	1 195	1 695	77	80	88	699	1 357	–	–	–	–	–	18 623
Finance charges		1 941	7 828	121	5 627	1 374	–	1	16	239	330	–	–	–	–	–	17 478
Bulk purchases		–	–	–	–	118 259	–	–	–	–	–	–	–	–	–	–	118 259
Other materials		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Contracted services		2 434	2 439	229	1 180	269	–	228	325	473	1 802	–	–	–	–	–	9 378
Transfers and grants		–	–	–	705	–	318	–	–	–	56	–	–	–	–	–	1 079
Other expenditure		10 541	15 207	4 800	6 700	6 790	1 691	11 388	714	1 517	3 233	–	–	–	–	–	62 580
Loss on disposal of PPE		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure		31 053	69 683	18 114	35 012	138 367	9 410	13 727	4 216	9 058	18 212	–	–	–	–	–	346 850
Surplus/(Deficit)		24 724	4 139	32 379	(30 341)	16 420	(9 410)	1 618	(2 967)	(3 864)	(11 603)	–	–	–	–	–	21 096
Transfers recognised - capital		–	48 240	1 315	2 089	1 070	–	–	450	–	8 836	–	–	–	–	–	62 001
Contributions recognised - capital		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Contributed assets		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		24 724	52 379	33 694	(28 251)	17 490	(9 410)	1 618	(2 517)	(3 864)	(2 767)	–	–	–	–	–	83 097

References

1. Departmental columns to be based on municipal organisation structure

WC022 Witzenberg - Supporting Table SA3 Supportinging detail to 'Budgeted Financial Position'

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
ASSETS											
Call investment deposits											
Call deposits < 90 days		32 543	38 819	11 614	23 000	23 000	23 000	23 000	23 000	23 000	23 000
Other current investments > 90 days		–	–	–	–	–	–	–	–	–	–
Total Call investment deposits	2	32 543	38 819	11 614	23 000	23 000	23 000	23 000	23 000	23 000	23 000
Consumer debtors											
Consumer debtors		77 523	90 904	85 583	85 583	82 128	82 128	82 128	89 188	96 263	103 961
Less: Provision for debt impairment		(50 959)	(60 441)	(48 865)	(49 275)	(49 275)	(49 275)	(49 275)	(55 645)	(61 122)	(67 263)
Total Consumer debtors	2	26 564	30 463	36 718	36 308	32 853	32 853	32 853	33 543	35 141	36 698
Debt impairment provision											
Balance at the beginning of the year		45 548	6 291	9 069	46 537	46 537	46 537	46 537	50 795	55 645	61 122
Contributions to the provision		10 668	2 983		8 338	8 338	8 338	8 338	10 450	11 077	11 741
Bad debts written off		(5 258)	(1 481)		(5 600)	(5 600)	(5 600)	(5 600)	(5 600)	(5 600)	(5 600)
Balance at end of year		50 959	7 792	9 069	49 275	49 275	49 275	49 275	55 645	61 122	67 263
Property, plant and equipment (PPE)											
PPE at cost/valuation (excl. finance leases)		347 543	375 011	435 585	480 877	471 181	471 181	471 181	528 849	574 984	598 358
Leases recognised as PPE	3	–	–	–	–	–	–	–	337	337	337
Less: Accumulated depreciation		218 485	224 844	232 257	248 141	248 141	248 141	248 141	259 302	279 929	298 848
Total Property, plant and equipment (PPE)	2	129 058	150 167	203 329	232 736	223 040	223 040	223 040	269 883	295 392	299 847
LIABILITIES											
Current liabilities - Borrowing											
Short term loans (other than bank overdraft)		–	–	–	–	–	–	–	–	–	–
Current portion of long-term liabilities		7 511	7 919	8 172	5 649	5 649	5 649	5 649	8 045	8 700	9 300
Total Current liabilities - Borrowing		7 511	7 919	8 172	5 649	5 649	5 649	5 649	8 045	8 700	9 300
Trade and other payables											
Trade and other creditors		21 614	24 985	26 857	26 857	30 055	30 055	30 055	7 610	7 991	8 470
Unspent conditional transfers		14 631	25 476	15 571	12 519	1 096	1 096	1 096	18 462	17 052	17 481
VAT		–	1 078	387	–	–	–	–	–	–	–
Total Trade and other payables	2	36 246	51 539	42 815	39 377	31 151	31 151	31 151	26 073	25 043	25 952
Non current liabilities - Borrowing											
Borrowing	4	59 426	48 553	42 932	34 760	34 760	34 760	34 760	36 959	28 914	20 214
Finance leases (including PPP asset element)		–	–	–	–	–	–	–	–	–	–
Total Non current liabilities - Borrowing		59 426	48 553	42 932	34 760	34 760	34 760	34 760	36 959	28 914	20 214
Provisions - non-current											
Retirement benefits		32 862	37 119	51 510	56 510	56 510	56 510	56 510	61 510	66 510	71 510
List other major provision items											
Refuse landfill site rehabilitation		8 337	18 388	19 610	20 610	20 610	20 610	20 610	13 903	13 903	13 903
Other					1 670	1 670	1 670	1 670	–	–	–
Total Provisions - non-current		41 199	55 507	71 120	78 790	78 790	78 790	78 790	75 413	80 413	85 413
CHANGES IN NET ASSETS											
Accumulated Surplus/(Deficit)											
Accumulated Surplus/(Deficit) - opening balance		7 493	32 219	48 416	91 854	91 854	91 854	91 854	107 145	162 246	184 080
GRAP adjustments		–	–	–	–	–	–	–	–	–	–
Restated balance		7 493	32 219	48 416	91 854	91 854	91 854	91 854	107 145	162 246	184 080
Surplus/(Deficit)		29 208	25 616	52 732	70 117	74 086	44 948	44 948	80 967	42 130	34 224
Appropriations to Reserves		(4 482)	(9 419)	(9 294)	(34 822)	(41 809)	(29 658)	(29 658)	(25 866)	(20 297)	(32 230)
Transfers from Reserves									–	–	–
Depreciation offsets		–	–	–	–	–	–	–	–	–	–
Other adjustments									–	–	–
Accumulated Surplus/(Deficit)	1	32 219	48 416	91 854	127 149	124 131	107 145	107 145	162 246	184 080	186 073
Reserves											
Housing Development Fund		3 275	–	–	–	–	–	–	–	–	
Capital replacement		8 319	7 172	5 637	4 423	4 423	4 423	4 423	7 215	7 215	7 215
Self-insurance		–	–	–	–	–	–	–	–	–	–
Other reserves		–	–	–	1 072	1 072	1 072	1 072	536	536	536
Revaluation		–	–	–	–	–	–	–	–	–	–
Total Reserves	2	11 593	7 172	5 637	5 495	5 495	5 495	5 495	7 751	7 751	7 751
TOTAL COMMUNITY WEALTH/EQUITY	2	43 812	55 589	97 491	132 644	129 626	112 640	112 640	169 997	191 830	193 824

Total capital expenditure includes expenditure on nationally significant priorities:

Provision of basic services											

WC022 Witzenberg - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Developing integrated and sustainable human settlement				(182 417)	(194 637)	(221 231)	(249 412)	(250 117)	(198 691)	(283 139)	(310 166)	(335 371)
Financial Viability				(33 654)	(36 694)	(44 775)	(50 363)	(47 855)	(45 353)	(53 630)	(58 043)	(57 817)
Good Governance				(2 365)	(3 665)	(5 665)	(4 925)	(5 345)	(5 056)	(5 711)	(5 837)	(6 763)
Local Economic Development				–	–	–	–	–	–	(1 401)	–	–
Social Development				(20 570)	(28 530)	(35 701)	(39 350)	(39 818)	(46 324)	(44 585)	(46 687)	(50 158)
Strategic partnership				(505)	(458)	(560)	(648)	(4 587)	(660)	(5 449)	(44)	(48)
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	(239 511)	(263 983)	(307 932)	(344 698)	(347 722)	(296 084)	(393 915)	(420 777)	(450 158)

References

1. Total revenue must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)

WC022 Witzenberg - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Developing integrated and sustainable human settlement				166 335	180 319	186 721	214 947	216 820	227 128	259 643	301 177	338 227
Financial Viability				34 720	44 144	68 941	23 485	22 989	52 697	29 819	29 483	31 133
Good Governance				28 547	34 211	44 958	38 548	38 902	45 265	46 489	49 411	52 721
Local Economic Development				832	965	1 072	1 429	1 415	1 362	1 663	1 685	1 806
Social Development				1 516	1 925	2 271	3 583	3 718	3 535	4 990	4 368	2 714
Strategic partnership				3 079	3 582	3 920	4 921	4 847	4 664	5 327	5 762	6 225
Allocations to other priorities												
Total Expenditure			1	235 028	265 144	307 883	286 913	288 692	334 651	347 930	391 886	432 825

References

1. Total expenditure must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)

WC022 Witzenberg - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Developing integrated and sustainable human settlement		A		–	–	–	65 108	78 047	78 072	68 515	45 785	26 609
Financial Viability		B		–	–	–	45	45	45	–	–	–
Good Governance		C		–	–	–	2 493	1 034	1 034	2 555	610	3 416
Local Economic Development		D		–	–	–	–	–	–	1 315	–	–
Social Development		E		–	–	–	51	81	81	–	–	250
Strategic partnership		F		–	–	–	–	–	–	–	40	–
		G										
		H										
		I										
		J										
		K										
		L										
		M										
		N										
		O										
		P										
Allocations to other priorities			3									
Total Capital Expenditure			1	–	–	–	67 697	79 207	79 232	72 385	46 435	30 275

References

1. Total capital expenditure must reconcile to Budgeted Capital Expenditure

2. Goal code must be used on Table SA36

WC022 Witzenberg - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Vote1 - Budget & Treasury Office										
Financial Viability										
The municipality's ability to meet it's service debt obligations	Ratio				15.4	15.4	15.4	17.0	17.0	17.0
Debt coverage										
Service debtors to revenue	Percentage				15.7%	15.7%	15.7%	14.7%	14.7%	14.7%
Outstanding service debtors/ service revenue										
Available cash to cover fixed operating expenditure	Ratio				1.7	1.7	1.7	1.6	1.6	1.6
Cost coverage										
Compliance with GRAP 16, 17 & 102 to ensure effective asset management	Findings				0.0	0.0	0.0	0.0	0.0	0.0
Reduce audit findings										
Improved revenue collection	Percentage				96.0%	96.0%	96.0%	95.3%	95.3%	95.3%
Debt recovery rate										
No of issues raised by AG in AG report of the previous financial year attended to promote a clean audit	Number				28.0	28.0	28.0	28.0	28.0	28.0
No of issues attended to										
Approved financial statements submitted by 31 August	Financial statements				1.0	1.0	1.0	1.0	1.0	1.0
Timeously submission of Financial Statements										
Improvement in operational conditional grant spending	Percentage				95.0%	95.0%	95.0%	95.0%	95.0%	95.0%
% of the grant spent										
Compliance with the SCM Act	Successful appeals				0.0	0.0	0.0	0.0	0.0	0.0
Number of successful appeals										
Implementation of an effective Fleet Management System by the end of June	Initiatives							4.0		
Number of initiatives/programmes implemented										
Finalize alternatives in terms of managing resorts by the end of June	Reports							1.0		
Report submitted to Council										
Training of staff in minimum competencies	Candidates							10.0		
Candidates registered										
Improvement in capital conditional grant spending	Percentage				95.0%	95.0%	95.0%	95.0%	95.0%	95.0%
Grant spent										
Strategic Partnerships and										
Implementation of the workplace skills plan	Percentage				70.0%	70.0%	70.0%	90.0%	90.0%	90.0%
Budget spent on implementation of the WSP										

Vote2 - Civil Services										
Sewerage										
Provision of free basic sanitation	Households				3 300	3 300	3 300	3 465	3 465	3 465
No of HH receiving free basic sanitation										
Quantum of free basic sanitation provided per hh					131.08	131.08	131.08	143.30	143.30	143.30
Provision of sanitation systems limited to domestic waste water and sewerage disposal to formal HH	Households							15491	15491	15491
No of formal HH that have at least VIP on site										
Provision of sanitation systems limited to domestic waste water and sewerage disposal to informal HH	Households							1691	1691	1691
No of informal HH that have at least VIP on site										
Upgrade sewerage systems in N'duli and PAH	Projects							2		
Number of projects completed										
Quality of waste water discharge	Percentage				75.0%	75.0%	75.0%	90.0%	90.0%	90.0%
Quality level of waste water discharge										
Sanitation assets is maintained in terms of the maintenance budget spent	Percentage				100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Maintenance budget spent										
Storm water										
Complete the Chris Hani project to ensure a provision of storm water systems in all areas without a system	Projects									
Completion of the projects										
Effective stormwater capital spending	Percentage				98.0%	98.0%	98.0%	90.0%	90.0%	90.0%
Capital budget spent										
Submit application for funding for a Stormwater Master Plan by the end of March	Applications							1		
Application submitted by the end of March										
Stormwater assets is maintained in terms of the maintenance budget spent	Percentage				100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Maintenance budget spent										
Roads										
Implementation of the public transport plan	Percentage				100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Funds spent										
Provision of municipal roads	Kilometre				1.3 km	1.3 km	1.3 km	4 km		
New roads constucted										
Provision of municipal roads in Tulbagh	Kilometre				0.6 km	0.6 km	0.6 km	4 km		
New roads constucted										
Effective municipal roads capital spending	Percentage				90.0%	90.0%	90.0%	90.0%	90.0%	90.0%
Capital budget spent										
Municipal roads is maintained	m²				3500	3500	3500	3500	3500	3500
Square meters of roads patched and resealed										
Maintenance of municipal roads	Percentage				100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Maintenance budget spent										

Solid Waste Management										
Provision of refuse removal, refuse dumps and solid waste disposal to all formal areas *No of formal HH for which refuse is removed weekly*	Households				15491	15491	15491	15491	15491	15491
Provision of refuse removal, refuse dumps and solid waste disposal to all informal areas *No of informal HH for which refuse is removed weekly*	Households				1492	1492	1492	1492	1492	1492
Effective waste management capital spending *Capital budget spent*	Percentage				88.0%	88.0%	88.0%	90.0%	90.0%	90.0%
Maintenance of refuse removal assets *Maintenance budget spent*	Percentage				100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Implement new garden refuse strategy in N'Duli, Tulbagh and Montana by the end of December 2012 *Number of projects completed*	Number				5	5	5	3		
Community awareness campaigns to recycle solid waste *Number of campaigns*	Number							2	2	2
Water										
Provision of cleaned piped water to all formal HH within 200m from the household *No of formal HH that meet agreed service standards*	Households				15491	15491	15491	15491	15491	15491
Provision of cleaned piped water to all informal HH within 200m from the household *No of informal HH that meet agreed service standards*	Households				1691	1691	1691	1691	1691	1691
Improvement of water purification system capacity in Tulbagh and Wolseley *% of projects completed*	Percentage							100.0%	100.0%	100.0%
Effective management of water provisioning systems to limit unaccounted water *% of water unaccounted for*	Percentage				36.0%	36.0%	36.0%	26.0%	26.0%	26.0%
Excellent water quality measured by the quality of water *No of blue drop awards*	Awards				2	2	2	3	3	3
Effective water capital spending *Capital budget spend*	Percentage				90.0%	90.0%	90.0%	90.0%	90.0%	90.0%
Revise the Water Service Development plan annually by the end of October *Plan revised and approved by Council*	Percentage				100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Water assets is maintained in terms of the maintenance budget spent *Maintenance budget of water spent*	Percentage				100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Implementation of the Water Demand Management plan *Execution of water saving awareness initiative*	Plans							2	2	2

Vote3 - Community & Social Services										
Cemetries										
Identify land for the development of a new regional grave yard	Applications							1		
Apply for funding by submitting a proposal										
Graveyards is maintained	Percentage				100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Maintenance budget spent										
Community Halls & Facilities										
Revise maintenance plan for recreational areas	Plan				1	1	1	1	1	1
Plan revised by July										
Recreational areas is maintained	Percentage				100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Maintenance budget spent										
Maintenance of halls and facilities	Plan				1	1	1	1		
end March										
executed	Projects executed							3.0		
Maintenance budget spent	Percentage				100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Environmental Protection										
Obtain funding to rehabilitate river	Funding obtained							1		
Funding obtained										
Vote 4 - Corporate Services										
Good Governance and Public										
Effective communication with communities	Policy							1		
Review of communication policy by end December										
Citizen satisfaction	Survey							1	1	1
Citizen satisfaction survey conducted by April										
Citizen satisfaction	Percentage							50.0%	50.0%	50.0%
Determine citizen satisfaction										
No of Section 56 and 57 performance agreements signed by the end of July	Agreements				5	5	5	5	5	5
No of performance agreements signed										
Institutional Performance management	Percentage							100.0%	100.0%	100.0%
Agreements signed										
Annual report and oversight report of council submitted before the end of January	Report				1	1	1	1	1	1
Report submitted to Council										
Effective and up to date By-laws								5	5	5
No of By-laws revised annually										
Municipal Transformation and Institutional										
Creation of an effective institution with sustainable capacity	Percentage				15.0%	15.0%	15.0%	10.0%	10.0%	10.0%
Vacancy level										
Effective labour relations by facilitating regular LLF meetings	Meetings				4	4	4	10	1	1
No of meetings of the LLF per annum										
Revise identified HR policies	Policies				6	6	6	6		
No of policies revised										
Implementation of skills development plan	Percentage				59.0%	59.0%	59.0%	65.0%		
Percentage of personnel actually trained										

Vote 5 - Electricity										
Electricity : Administration										
Provision of free basic electricity in terms of the equitable share requirements *No of HH receiving free basic electricity*	Households				3 300	3 300		3 465	3 465	3 465
Provision of free basic electricity in terms of the equitable share requirements *Quantum of free basic electricity per household*	kWh				50	50		50	50	50
Provision of electricity that are connected to the national grid to all formal areas *No of formal HH that meet agreed service standards*	Households							12 340	12 340	12 340
Provision of electricity that are connected to the national grid to all informal areas *No of informal HH that meet agreed service standards*	Households							1691	1691	1691
Install new electricity network in Chris Hani to improve electricity distribution capacity *Completion of the projects*	Percentage							0.0%	50.0%	100.0%
Electricity connections to provide electricity reticulation to informal settlements *No of new electricity connections*	Connections							0	250	200
Effective management of electricity provisioning systems *% of electricity unaccounted for*	Percentage							10	10	10
Effective electricity capital spending *Capital budget spend*	Percentage							90.0%	90.0%	90.0%
Electricity assets is maintained *Maintenance budget spent*	Percentage							100.0%	100.0%	100.0%
Vote 6 - Executive & Council										
Job creation										
The number of jobs created through municipality's local economic development initiatives *Number of jobs created*	Jobs created				132	132	132	200	250	300
The number of people from employment equity target groups employed in the three highest levels *Number of people employed*	Employees				7	7	7	8	8	8

Good Governance and Public										
Alignment of the municipal spending with IDP *in the IDP*	Percentage				90.0%	90.0%	90.0%	93.0%	100.0%	100.0%
Effective functioning of council *No of council meetings per annum*	Meetings				4	4	4	4	4	4
Effective functioning of the committee *No of sec 79 committee meetings per committee*	Meetings				48	48	48	48	48	48
The main budget is approved by Council by the legislative deadline *Approval of Main Budget before the end of May*	Approved Budget				1	1	1	1	1	1
The adjustment budget is approved by Council by the legislative deadline *February*	Approved Adjustment Budget				1	1	1	1	1	1
The Top Layer SDBIP is approved by the Mayor within 28 days after the Main Budget has been approved *Top Layer SDBIP approved within 28 days*	Approved Top Layer SDBIP				1	1	1	1	1	1
The municipality listens and talks back to its people *endorsing the IDP*	Endorsings				16	16	16	14	14	14
The municipality listens and talks back to its people *No of ward committees endorsing the IDP*	Endorsings				11	11	11	12	12	12
Strengthen the role of communities *No of ward based development plans completed*	Plans							12	12	12
Effective functioning of ward committees *No of ward committee meetings per ward per annum*	Meetings				5	5	5	48	48	48
Initiatives in the anti-corruption policy is successfully implemented *strategy*	Initiatives							2		
Functional performance audit committee *No of meetings held*	Meetings				3	3	3	4	4	4
Risk based audit plan approved by September *Plan approved by September*	Plans				1	1	1	1	1	1
Spatial development plan aligned with PSDF and PGDS *Alignment as assessed*	Percentage							100.0%		
Vote 7 - Housing										
Housing										
Implementation of Integrated Human Settlement Strategy *Phase 1 (infrastructure) completed*	Percentage							100.0%	100.0%	100.0%

Vote 8 - Planning										
Good Governance and Public										
New 5 year IDP compiled and approved by the end of May	IDP							1		
IDP approved by the end of May										
The IDP is comprehensive and complies with the requirements of the Systems Act	Sectoral Plans				15	15	15	16		
No of required sectoral plans included in the IDP										
Spatial Development Plan reviewed and submitted to PGWC	Plans				1	1	1	1	1	1
June										
Basic Service Delivery										
To successfully incorporate the DMA within the municipal structures and functions										
DMA area successfully incorporated										
Increase capacity to ensure that GIS is maintained and developed	Appointments							1		
Appoint appropriate staff for GIS										
Local Economic Development										
Implement the two initiatives within the LED strategy	Initiatives implemented							2		
Number of initiatives implemented										
Value of contracts assigned to SMME's	Rand value							15 000 000		
Value of contracts assigned										
Vote 9 - Public Safety										
Fire Protection										
Develop a Fire Management Plan	Plan							1		
Plan developed by end June										
Police & Traffic										
Develop a comprehensive law enforcement strategy	Strategy							1		
Development of a law enforcement strategy										
Disaster management										
Disaster Management Plan developed by the end of December	Plan							1		
New Disaster Management Plan										
Vote 10 - Sport & Recreation										
Parks										
Upgrade N'duli and Bella Vista municipal parks by the end of June	Number of parks upgraded							2		
Number of parks upgraded										
And so on for the rest of the Votes										

WC022 Witzenberg - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Borrowing Management											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	12.5%	9.3%	8.3%	6.3%	6.3%	6.0%	6.0%	7.5%	7.4%	7.0%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	16.4%	12.0%	10.2%	7.1%	7.2%	7.0%	7.0%	9.0%	8.8%	8.2%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Safety of Capital											
Gearing	Long Term Borrowing/ Funds & Reserves	512.6%	676.9%	761.6%	632.6%	632.6%	632.6%	632.6%	476.8%	373.0%	260.8%
Liquidity											
Current Ratio	Current assets/current liabilities	1.4	1.1	1.1	1.2	1.4	1.4	1.4	1.1	1.0	0.9
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1.4	1.1	1.1	1.2	1.4	1.4	1.4	1.1	1.0	0.9
Liquidity Ratio	Monetary Assets/Current Liabilities	0.7	0.6	0.3	0.4	0.5	0.5	0.5	0.4	0.4	0.3
Revenue Management											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		79.2%	94.1%	81.1%	94.6%	94.6%	94.9%	94.9%	94.1%	94.4%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)			79.2%	94.0%	81.0%	94.5%	94.4%	94.7%	94.7%	94.1%	94.4%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	11.7%	12.7%	16.6%	14.8%	13.5%	13.8%	13.8%	10.1%	9.5%	8.9%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
Creditors Management											
Creditors System Efficiency	% of Creditors Paid Within Terms (within`MFMA' s 65(e))										
Creditors to Cash and Investments		66.4%	57.4%	122.8%	64.8%	86.3%	86.3%	86.3%	6.7%	6.9%	6.9%
Other Indicators											
Electricity Distribution Losses (2)	% Volume (units purchased and generated less units sold)/units purchased and generated										
Water Distribution Losses (2)	% Volume (units purchased and own source less units sold)/Total units purchased and own source										
Employee costs	Employee costs/(Total Revenue - capital revenue)	26.5%	28.7%	29.5%	33.3%	31.9%	33.3%	33.3%	28.6%	28.2%	27.3%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	29.9%	32.3%	29.5%	37.3%	35.9%	36.7%		31.6%	31.2%	30.2%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	4.4%	3.6%	4.2%	4.3%	4.9%	5.5%		4.1%	3.9%	3.7%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	9.2%	9.0%	8.7%	8.8%	8.7%	8.8%	8.8%	10.3%	10.5%	9.2%
IDP regulation financial viability indicators											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	11.0	13.0	15.7	18.3	18.3	18.3	17.7	18.8	20.2	22.8
ii.O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	18.6%	18.1%	22.2%	18.7%	17.4%	17.4%	17.4%	13.4%	12.2%	11.1%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	2.5	2.7	1.2	2.1	1.8	1.7	1.7	4.9	4.4	4.1

References

1. Consumer debtors > 12 months old are excluded from current assets

2. Only include if services provided by the municipality

WC022 Witzenberg - Supporting Table SA9 Social, economic and demographic statistics and assumptions

Description of economic indicator	Ref.	Basis of calculation	1996 Census	2001 Census	2007 Survey	2008/9	2009/10	2010/11	Current Year 2011/12	2012/13 Medium Term Revenue Framework	
						Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome
Demographics											
Population				83 658		89 780	90 588	91 403	92 226	93 056	93 894
Females aged 5 - 14				8 168							
Males aged 5 - 14				8 291							
Females aged 15 - 34				15 725							
Males aged 15 - 34				15 563							
Unemployment											
Monthly household income (no. of households)	1, 12										
No income											
R1 - R1 600											
R1 601 - R3 200											
R3 201 - R6 400											
R6 401 - R12 800											
R12 801 - R25 600											
R25 601 - R51 200											
R52 201 - R102 400											
R102 401 - R204 800											
R204 801 - R409 600											
R409 601 - R819 200											
> R819 200											
Poverty profiles (no. of households)											
< R2 060 per household per month	13										
Insert description	2										
Household/demographics (000)											
Number of people in municipal area						89 780	90 588	91 403	92 226	93 056	93 894
Number of poor people in municipal area											
Number of households in municipal area						11 411	12 322	12 526	12 536	12 546	12 556
Number of poor households in municipal area						2 259	2 640	3 300	3 465	3 638	3 820
Definition of poor household (R per month)						2 700	3 700	3 000	3 000	3 000	3 000
Housing statistics	3										
Formal						9 911	10 516	10 835	10 845	10 855	10 865
Informal						1 500	1 806	1 691	1 691	1 691	1 691
Total number of households			-	-	-	11 411	12 322	12 526	12 536	12 546	12 556
Dwellings provided by municipality	4					393	722	289			
Dwellings provided by province/s											
Dwellings provided by private sector	5					50	189	2			
Total new housing dwellings			-	-	-	443	911	291	-	-	-
Economic	6										
Inflation/inflation outlook (CPIX)						9.9%	6.7%	4.2%	4.3%	4.1%	3.9%
Interest rate - borrowing						11.5%			0.0%	0.0%	0.0%
Interest rate - investment						8.5%	6.0%	5.6%	5.4%	5.3%	5.4%
Remuneration increases						8.3%	13.0%	7.7%	6.7%	7.0%	7.0%
Consumption growth (electricity)						-0.2%	5.4%	-4.2%	0.0%	0.0%	0.0%
Consumption growth (water)						-14.7%	8.2%	4.3%	1.7%	1.7%	1.7%
Collection rates	7										
Property tax/service charges						87.6%	96.0%	95.2%	95.7%	96.1%	96.2%
Rental of facilities & equipment						100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Interest - external investments						100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Interest - debtors						91.2%	94.9%	100.0%	100.0%	100.0%	100.0%
Revenue from agency services						100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Detail on the provision of municipal services for A10

Total municipal services	Ref.		2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue Framework	
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14
		Household service targets (000)								
		Water:								
		Piped water inside dwelling								
		Piped water inside yard (but not in dwelling)								

WC022 Witzenberg Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	32 573	43 502	21 874	41 464	34 806	34 806	34 806	113 255	115 021	122 213
Cash + investments at the yr end less applications - R'000	18(1)b	2	17 371	22 378	14 452	24 386	30 305	30 434	30 434	31 227	33 389	33 922
Cash year end/monthly employee/supplier payments	18(1)b	3	2.5	2.7	1.2	2.1	1.8	1.7	1.7	4.9	4.4	4.1
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	29 208	25 616	52 732	70 117	74 086	44 948	44 948	80 967	42 130	34 224
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	14.6%	7.6%	12.1%	(7.5%)	(5.6%)	(6.0%)	10.6%	8.1%	7.8%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	79.2%	94.0%	81.0%	94.5%	94.4%	94.7%	94.7%	94.1%	94.4%	94.9%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	7.8%	11.8%	6.7%	4.3%	4.4%	12.8%	12.8%	4.6%	4.2%	3.9%
Capital payments % of capital expenditure	18(1)c;19	8	0.0%	0.0%	0.0%	100.0%	97.2%	96.7%	96.7%	0.0%	100.0%	100.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	16.1%	39.5%	(0.8%)	(8.1%)	0.0%	0.0%	(10.8%)	3.8%	3.7%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	(40.6%)	(0.5%)	0.0%	0.0%	0.0%	63.3%	(1.7%)	(1.7%)
R&M % of Property Plant & Equipment	20(1)(vi)	13	7.7%	6.0%	5.4%	5.4%	6.5%	7.0%	6.4%	5.3%	5.1%	5.4%
Asset renewal % of capital budget	20(1)(vi)	14	0.0%	0.0%	0.0%	5.3%	19.9%	20.3%	0.0%	16.4%	23.5%	42.8%

References

1. Positive cash balances indicative of minimum compliance - subject to 2

2. Deduct cash and investment applications (defined) from cash balances

3. Indicative of sufficient liquidity to meet average monthly operating payments

4. Indicative of funded operational requirements

5. Indicative of adherence to macro-economic targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)

6. Realistic average cash collection forecasts as % of annual billed revenue

7. Realistic average increase in debt impairment (doubtful debt) provision

8. Indicative of planned capital expenditure level & cash payment timing

9. Indicative of compliance with borrowing 'only' for the capital budget - should not exceed 100% unless refinancing

10. Substantiation of National/Province allocations included in budget

11. Indicative of realistic current arrear debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)

12. Indicative of realistic long term arrear debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)

13. Indicative of a credible allowance for repairs & maintenance of assets - functioning assets revenue protection

14. Indicative of a credible allowance for asset renewal (requires analysis of asset renewal projects as % of total capital projects - detailed capital plan) - functioning assets revenue protection

WC022 Witzenberg - Supporting Table SA13 Service Tariffs by category

Description	Ref	Provide description of tariff structure where appropriate	2008/9	2009/10	2010/11	Current Year 2011/12	2012/13 Medium Term Revenue & Expenditure Framework		
							Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Property rates *(rate in the Rand)*	1								
Residential properties						0.00685	0.00740	0.00784	0.00831
Residential properties - vacant land						0.01027	0.01109	0.01176	0.01247
Formal/informal settlements						0.00548	0.00592	0.00628	0.00666
Small holdings									
Farm properties - used						0.00171	0.00185	0.00196	0.00208
Farm properties - not used									
Industrial properties						0.01301	0.01405	0.01489	0.01578
Business and commercial properties						0.01301	0.01405	0.01489	0.01578
Communal land - residential									
Communal land - small holdings									
Communal land - farm property									
Communal land - business and commercial									
Communal land - other									
State-owned properties						0.01301	0.01405	0.01489	0.01578
Municipal properties									
Public service infrastructure						0.00171	0.00185	0.00196	0.00208
Privately owned towns serviced by the owner									
State trust land									
Restitution and redistribution properties									
Protected areas									
National monuments properties									
Exemptions, reductions and rebates (Rands)									
Residential properties									
R15 000 threshhold rebate			15 000	15 000	15 000	15 000	15 000	15 000	15 000
General residential rebate									
Indigent rebate or exemption			70 000	70 000	70 000	70 000	70 000	70 000	70 000
Pensioners/social grants rebate or exemption									
Temporary relief rebate or exemption									
Bona fide farmers rebate or exemption									
List other rebates or exemptions									
[insert lines if necessary]									
Water tariffs									
Domestic									
Basic charge/fixed fee *(Rands/month)*						62	64	67	70
Service point - vacant land *(Rands/month)*						70	72	75	78
Water usage - flat rate tariff *(c/kl)*									
Water usage - life line tariff		(describe structure)							
Water usage - Block 1 (c/kl)		0-6 kl				3.10	3.23	3.36	3.49
Water usage - Block 2 (c/kl)		7-30 kl				5.22	5.44	5.65	5.88
Water usage - Block 3 (c/kl)		31-60 kl				4.81	5.01	5.21	5.42
Water usage - Block 4 (c/kl)		61-300 kl				4.51	4.70	4.88	5.07
[insert extra blocks if necessary]		Above 300 kl				24.52	25.53	26.53	27.59
Waste water tariffs									
Domestic									
Basic charge/fixed fee *(Rands/month)*						126	131	136	141
Service point - vacant land *(Rands/month)*						26	27	28	29
Waste water - flat rate tariff *(c/kl)*									
Electricity tariffs									
Domestic									
Basic charge/fixed fee *(Rands/month)*						321	321	356	396
Service point - vacant land *(Rands/month)*						77	89	99	110
FBE		50 kWh for indigent households per month							
Life-line tariff - meter		(describe structure)							
Life-line tariff - prepaid		(describe structure)							
Flat rate tariff - meter *(c/kwh)*									
Flat rate tariff - prepaid*(c/kwh)*									
Meter - IBT Block 1 (c/kwh)		0-50 kWh				0.3439	0.4300	0.4737	0.5263
Meter - IBT Block 2 (c/kwh)		51-350 kWh				0.3935	0.4900	0.5439	0.6053
Meter - IBT Block 3 (c/kwh)		351-600 kWh				0.5424	0.7100	0.7895	0.8772
Meter - IBT Block 4 (c/kwh)		601-800 kWh				0.6615	0.7800	0.8684	0.9649
Meter - IBT Block 5 (c/kwh)		Above 800 kWh				0.9421	0.9100	1.0088	1.1228
[insert extra blocks if necessary]		(fill in thresholds)							
Prepaid - IBT Block 1 (c/kwh)		0-50 kWh				0.6776	0.6900	0.7632	0.8509
Prepaid - IBT Block 2 (c/kwh)		51-350 kWh				0.7228	0.8100	0.8947	0.9912
Prepaid - IBT Block 3 (c/kwh)		351-600 kWh				0.8583	1.0400	1.1579	1.2895
Prepaid - IBT Block 4 (c/kwh)		601-800 kWh				1.0367	1.2000	1.3333	1.4825
Prepaid - IBT Block 5 (c/kwh)		Above 800 kWh				1.0569	1.2000	1.3333	1.4825
[insert extra blocks if necessary]		(fill in thresholds)							
Waste management tariffs									
Domestic									
Street cleaning charge									
Basic charge/fixed fee						135	140	146	151
80l bin - once a week									
250l bin - once a week									

WC022 Witzenberg - Supporting Table SA14 Household bills

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework			
Rand/cent		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13 % incr.	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Property rates		281.43	332.50	368.60	391.02	391.02	391.02	8.0%	422.42	447.53	474.36
Electricity: Basic levy		173.20	216.50	266.30	320.57	320.57	320.57	0.1%	321.00	356.31	395.50
Electricity: Consumption		351.80	459.82	491.44	591.56	591.56	591.56	15.6%	684.00	759.65	844.74
Water: Basic levy		57.49	53.45	59.23	61.79	61.79	61.79	4.1%	64.34	66.86	69.54
Water: Consumption		195.68	207.48	230.12	143.88	143.88	143.88	4.2%	149.94	155.74	162.00
Sanitation		101.66	107.76	114.98	125.70	125.70	125.70	4.1%	130.88	136.01	141.45
Refuse removal		109.38	115.70	123.45	134.59	134.59	134.59	4.1%	140.14	145.63	151.46
Other											
sub-total		1 270.64	1 493.21	1 654.12	1 769.11	1 769.11	1 769.11	8.1%	1 912.72	2 067.73	2 239.04
VAT on Services		138.49	162.50	179.97	192.93	192.93	192.93	8.1%	208.64	226.83	247.05
Total large household bill:		1 409.13	1 655.71	1 834.09	1 962.04	1 962.04	1 962.04	8.1%	2 121.36	2 294.55	2 486.09
% increase/-decrease			17.5%	10.8%	7.0%	–	–		8.1%	8.2%	8.3%
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates		25.57	24.06	26.68	276.85	276.85	276.85	8.0%	299.08	316.87	335.86
Electricity: Basic levy				–	–	–	–				
Electricity: Consumption		248.15	320.16	332.82	379.47	379.47	379.47	14.2%	433.50	480.26	533.33
Water: Basic levy		50.43	53.46	59.23	61.79	61.79	61.79	4.1%	64.34	66.86	69.54
Water: Consumption		95.99	101.77	112.84	117.78	117.78	117.78	4.2%	122.74	127.49	132.61
Sanitation		101.66	107.76	114.98	125.70	125.70	125.70	4.1%	130.88	136.01	141.45
Refuse removal		109.38	115.70	123.45	134.59	134.59	134.59	4.1%	140.14	145.63	151.46
Other											
sub-total		631.18	722.91	770.00	1 096.18	1 096.18	1 096.18	8.6%	1 190.68	1 273.12	1 364.25
VAT on Services		84.79	97.84	104.07	114.71	114.71	114.71	8.8%	124.82	133.88	143.97
Total small household bill:		715.97	820.75	874.07	1 210.88	1 210.88	1 210.88	8.6%	1 315.51	1 407.00	1 508.22
% increase/-decrease			14.6%	6.5%	38.5%	–	–		8.6%	7.0%	7.2%
Monthly Account for Household - 'Indigent' Household receiving free basic services	3										
Rates and services charges:											
Property rates					122.73	122.73	122.73	8.0%	132.58	140.47	148.89
Electricity: Basic levy					–						
Electricity: Consumption		4.98	6.43	6.37	216.84	216.84	216.84	12.1%	243.00	268.42	297.37
Water: Basic levy											
Water: Consumption					73.08	73.08	73.08	4.2%	76.16	79.09	82.28
Sanitation											
Refuse removal											
Other											
sub-total		4.98	6.43	6.37	412.65	412.65	412.65	9.5%	451.74	487.98	528.54
VAT on Services		0.70	0.90	0.89	40.59	40.59	40.59	10.1%	44.68	48.65	53.15
Total small household bill:		5.68	7.33	7.26	453.24	453.24	453.24	9.5%	496.43	536.63	581.69
% increase/-decrease			29.1%	(1.0%)	6 142.9%	–	–		9.5%	8.1%	8.4%

References

1. Use as basis property value of R700 000, 1 000 kWh electricity and 30kl water

2. Use as basis property value of R500 000 and R700 000, 500 kWh electricity and 25kl water

3. Use as basis property value of R 300 000, 350kWh electricity and 20kl water (50 kWh electricity and 6 kl water free)

WC022 Witzenberg - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Parent municipality										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank		32 543	38 842	11 637	23 000	23 000	23 000	23 000	23 000	23 000
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Municipal Bonds										
Municipality sub-total	1	32 543	38 842	11 637	23 000	23 000	23 000	23 000	23 000	23 000
Entities										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank										
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Entities sub-total		–	–	–	–	–	–	–	–	–
Consolidated total:		32 543	38 842	11 637	23 000	23 000	23 000	23 000	23 000	23 000

References

1. Total investments must reconcile to Budgeted Financial Position ('current' call investment deposits plus 'non-current' investments)

WC022 Witzenberg - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity Name of institution & investment ID	Ref 1	Period of Investment Yrs/Months	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate 3.	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Monetary value Rand thousand	Interest to be realised Rand thousand
Parent municipality											
ABSA Bank Ltd		Max 3 months	Call & Fixed Dep. 3 motnh	Yes	Fixed & Variable (Call)	5	0	0	24 hours & 3months	5 710	
First Rand Bank		Max 3 months	Call & Fixed Dep. 3 motnh	Yes	Fixed & Variable (Call)	5	0	0	24 hours & 3months	29	
Investec Bank Ltd		3 months	3 months	Yes	Fixed	5	0	0	3 months	7 000	
Ned Bank Ltd		Max 3 months	Call & Fixed Dep. 3 motnh	Yes	Fixed & Variable (Call)	5	0	0	24 hours & 3months	8 000	
Standard Bank of SA Ltd		Max 3 months	Call & Fixed Dep. 3 motnh	Yes	Fixed & Variable (Call)	5	0	0	24 hours & 3months	4 155	
Municipality sub-total										24 894	–
Entities											
Entities sub-total										–	–
TOTAL INVESTMENTS AND INTEREST	1									24 894	–

References

1. Total investments must reconcile to all items in Table SA15 for the Current Year (30 June)

2. List investments in expiry date order

WC022 Witzenberg - Supporting Table SA17 Borrowing

Borrowing - Categorised by type	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Parent municipality										
Long-Term Loans (annuity/reducing balance)		59 426	48 553	42 932	34 760	34 760	34 760	36 959	28 914	20 214
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Municipality sub-total	1	59 426	48 553	42 932	34 760	34 760	34 760	36 959	28 914	20 214
Entities										
Long-Term Loans (annuity/reducing balance)										
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Entities sub-total	1	–	–	–	–	–	–	–	–	–
Total Borrowing	1	59 426	48 553	42 932	34 760	34 760	34 760	36 959	28 914	20 214

Unspent Borrowing - Categorised by type										
Parent municipality										
Long-Term Loans (annuity/reducing balance)										
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Municipality sub-total	1	–	–	–	–	–	–	–	–	–
Entities										
Long-Term Loans (annuity/reducing balance)										
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Entities sub-total	1	–	–	–	–	–	–	–	–	–
Total Unspent Borrowing	1	–	–	–	–	–	–	–	–	–

References

1. Total borrowing must reconcile to Budgeted Financial Position (Borrowing - non-current)

WC022 Witzenberg - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		25 836	35 050	40 883	42 626	42 626	42 626	49 284	52 115	56 575
Local Government Equitable Share		23 249	29 111	36 683	40 561	40 561	40 561	46 200	49 663	54 017
Finance Management		1 250	2 750	3 000	1 250	1 250	1 250	1 250	1 250	1 450
Municipal Systems Improvement		735	1 300	1 200	700	700	700	800	900	950
Water Services Operating Subsidy		601	1 889			–		1 000		
EPWP Incentive										
Rural Development										
MIG										
RBIG										
Housing Kluitjies Kraal					115	115	115	34	302	158
INEP										
DWAF										
Transformation Funds										
Provincial Government:		38 326	32 556	18 926	2 481	5 871	5 871	16 581	15 282	16 035
Housing		36 738	30 170	17 477				10 857	15 058	15 811
Sport and Recreation			1 000	–						
Various programs CDW, Libraries,PTIP & Main Roads										
Main Roads		897	918	616	665	665	665	101		
Library		475	402	578	608	3 998	3 998	5 407		
Cleanest Town				30						
PTIP					1 000	1 000	1 000			
CDW		216	66	225	208	208	208	216	224	224
District Municipality:		395	–	1 600	–	–	–	–	–	–
Solid Waste				300						
Cape Wine Lands District		395								
Water & Sanitation Informal Areas										
Housing Consumer Education										
Upgrading of Streets & Sidewal				1 300						
Other grant providers:		–	–	–	–	–	–	–	–	–
Belguim & China										
Total Operating Transfers and Grants	5	64 557	67 606	61 408	45 107	48 497	48 497	65 865	67 397	72 610
Capital Transfers and Grants										
National Government:		6 640	18 408	23 160	35 729	35 729	35 729	52 112	23 326	24 675
Municipal Infrastructure Grant (MIG)		6 640	12 928	10 160	18 229	18 229	18 229	22 112	23 326	24 675
Regional Bulk Infrastructure			3 240	11 000	17 000	17 000	17 000	30 000		
INEP			2 240	2 000	500	500	500			
Provincial Government:		–	150	–	18 680	18 680	18 680	7 000	–	–
Housing					18 680	18 680	18 680	7 000		
CDW			150							
District Municipality:		–	2 829	–	–	–	–	–	–	–
Informal Settlements										
Water & Sanitation			480							
Housing Consumer Education			49							
Upgrading Streets & Sidewalks			2 300							
Roads										
Other grant providers:		–	–	–	–	–	–	–	–	–
Belguim & China										
Total Capital Transfers and Grants	5	6 640	21 387	23 160	54 409	54 409	54 409	59 112	23 326	24 675
TOTAL RECEIPTS OF TRANSFERS & GRANTS		71 197	88 993	84 568	99 516	102 906	102 906	124 977	90 723	97 285

WC022 Witzenberg - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		25 221	33 929	43 833	41 079	42 109	42 929	49 336	51 813	56 417
Local Government Equitable Share		22 957	29 111	36 683	40 561	40 561	40 561	46 200	49 663	54 017
Finance Management		1 250	2 691	2 164	430	430	1 250	1 250	1 250	1 450
Municipal Systems Improvement		790	1 247	1 366	–	1 030	1 030	800	900	950
Water Services Operating Subsidy					–			1 000		
EPWP Incentive										
Rural Development				254				86		
MIG			131	1 529	88	88	88			
RBIG				1 642						
Housing Kluitjies Kraal				47						
INEP				79						
DWAF			690	53						
Land Reforms		0								
Transformation Funds		223	58	16						
Provincial Government:		41 972	26 695	8 845	228	228	228	11 174	15 290	15 811
Housing		40 586	25 121	6 840	–			10 857	15 058	15 811
Sport and Recreation		14		107	–					
Library Services		475	402	495						
CDW			215	128	228	228	228	216	232	
Main roads		897	918	616				101		
Planning			39	74						
PTIP				41						
MPCC				544						
Various programs CDW, Libraries,PTIP & Main Roads										
District Municipality:		115	639	907	–	–	–	–	–	–
Solid Waste										
Water & Sanitation Informal Areas		115								
Upgrading of Streets & Sidewal				266						
Water & Sanitation Informal Areas			594	618						
Performance Management			8							
Housing Consumer Education			36	23						
Other grant providers:		–	–	–	433	429	429	458	476	–
Belguim & China					433	429	429	458	476	
Total operating expenditure of Transfers and Grants:		67 308	61 263	53 585	41 740	42 766	43 586	60 969	67 579	72 228
Capital expenditure of Transfers and Grants										
National Government:		9 672	16 479	28 924	34 965	34 965	34 965	41 403	34 277	21 645
Municipal Infrastructure Grant (MIG)		8 232	11 387	11 048	16 403	16 403	16 403	19 396	20 461	21 645
Regional Bulk Infrastructure			2 901	11 813	14 912	14 912	14 912	12 500	13 816	
INEP										
Transformation funds			781	107						
DWAF		625		380	3 650	3 650	3 650			
MSIG				442						
Housing Kluitjies Kraal				451						
Rural Development				2 018				9 507		
INEP		815	1 076	1 775						
FMG			334	890						
Provincial Government:		519	1 025	15 718	19 557	19 557	19 557	7 109	–	–
CDW		66	118	115						
Housing IHHSDG				10 643	18 680	18 680	18 680	7 000		
Sport				784				109		
PTIP		93		290	877	877	877			
MPCC		70	907	3 886						
Library		6								
Spatial Planning		283								
District Municipality:		–	–	2 065	–	–	–	–	–	–
Informal Settlements										
Housing Consumer Eduction Training				7						
Upgrading of Streets & Sidewal				2 058						
Other grant providers:		–	–	–	–	–	–	–	–	–
Belguim & China										
Total capital expenditure of Transfers and Grants		10 191	17 504	46 707	54 522	54 522	54 522	48 513	34 277	21 645
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		77 499	78 767	100 291	96 262	97 288	98 108	109 482	101 856	93 873

WC022 Witzenberg - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		1 809	583	355	(140)	(140)	(140)	–	–	–
Current year receipts		25 836	35 050	40 883	42 626	42 626	42 626	49 284	52 115	56 575
Conditions met - transferred to revenue		27 062	35 277	41 378	42 486	42 486	42 486	49 284	52 115	56 575
Conditions still to be met - transferred to liabilities		583	355	(140)	–	–	–	–	–	–
Provincial Government:										
Balance unspent at beginning of the year		7 727	378	5 389	213	213	213	–	–	–
Current year receipts		38 326	32 556	18 926	2 481	5 871	5 871	16 581	15 282	16 035
Conditions met - transferred to revenue		45 675	27 545	24 101	2 694	6 084	6 084	16 581	15 282	16 035
Conditions still to be met - transferred to liabilities		378	5 389	213	–	–	–	–	–	–
District Municipality:										
Balance unspent at beginning of the year		–	784	674	27	27	27	–	–	–
Current year receipts		395	–	1 600	–	–	–	–	–	–
Conditions met - transferred to revenue		(389)	110	2 248	27	27	27	–	–	–
Conditions still to be met - transferred to liabilities		784	674	27				–	–	–
Other grant providers:										
Balance unspent at beginning of the year		409	330	287	–	–	–	132	–	–
Current year receipts		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		79	43	287	(132)	(132)	(132)	132	–	–
Conditions still to be met - transferred to liabilities		330	287	–	132	132	132	–	–	–
Total operating transfers and grants revenue		72 427	62 975	68 014	45 075	48 465	48 465	65 997	67 397	72 610
Total operating transfers and grants - CTBM	2	2 075	6 706	100	132	132	132	–	–	–
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		8 327	8 185	11 502	3 239	3 239	3 239	12 021	–	–
Current year receipts		6 640	18 408	23 160	35 729	35 729	35 729	52 112	23 326	24 675
Conditions met - transferred to revenue		6 782	15 091	31 423	26 947	26 947	26 947	64 133	23 326	24 675
Conditions still to be met - transferred to liabilities		8 185	11 502	3 239	12 021	12 021	12 021	–	–	–
Provincial Government:										
Balance unspent at beginning of the year		–	4 350	4 325	3 863	3 863	3 863	4 477	–	–
Current year receipts		–	150	–	18 680	18 680	18 680	7 000	–	–
Conditions met - transferred to revenue		(4 350)	175	461	18 066	18 066	18 066	11 477	–	–
Conditions still to be met - transferred to liabilities		4 350	4 325	3 863	4 477	4 477	4 477	–	–	–
District Municipality:										
Balance unspent at beginning of the year		–	251	2 551	1 827	1 827	1 827	1 832	–	–
Current year receipts		–	2 829	–	–	–	–	–	–	–
Conditions met - transferred to revenue		(251)	529	724	(5)	(5)	(5)	1 832	–	–
Conditions still to be met - transferred to liabilities		251	2 551	1 827	1 832	1 832	1 832	–	–	–
Other grant providers:										
Balance unspent at beginning of the year		–	(15)	162	–	–	–	–	–	–
Current year receipts		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		15	(177)	162	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities		(15)	162					–	–	–
Total capital transfers and grants revenue		2 195	15 618	32 771	45 008	45 008	45 008	77 443	23 326	24 675
Total capital transfers and grants - CTBM	2	12 772	18 541	8 929	18 331	18 331	18 331	–	–	–
TOTAL TRANSFERS AND GRANTS REVENUE		74 622	78 593	100 785	90 083	93 473	93 473	143 439	90 723	97 285
TOTAL TRANSFERS AND GRANTS - CTBM		14 846	25 246	9 029	18 462	18 462	18 462	–	–	–

WC022 Witzenberg - Supporting Table SA21 Transfers and grants made by the municipality

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Cash Transfers to other municipalities											
Insert description	1										
Total Cash Transfers To Municipalities:		–	–	–	–	–	–	–	–	–	–
Cash Transfers to Entities/Other External Mechanisms											
Insert description	2										
Total Cash Transfers To Entities/Ems'		–	–	–	–	–	–	–	–	–	–
Cash Transfers to other Organs of State											
Insert description	3										
Total Cash Transfers To Other Organs Of State:		–	–	–	–	–	–	–	–	–	–
Cash Transfers to Organisations											
Temporary patch (inject costs)	4	528	851	1 078	1 038	1 058	999	999	1 079	1 144	1 212
Total Cash Transfers To Organisations		528	851	1 078	1 038	1 058	999	999	1 079	1 144	1 212
Cash Transfers to Groups of Individuals											
Insert description	5										
Total Cash Transfers To Groups Of Individuals:		–	–	–	–	–	–	–	–	–	–
TOTAL CASH TRANSFERS AND GRANTS	6	528	851	1 078	1 038	1 058	999	999	1 079	1 144	1 212
Non-Cash Transfers to other municipalities											
Insert description	1										
Total Non-Cash Transfers To Municipalities:		–	–	–	–	–	–	–	–	–	–
Non-Cash Transfers to Entities/Other External Mechanisms											
Insert description	2										
Total Non-Cash Transfers To Entities/Ems'		–	–	–	–	–	–	–	–	–	–
Non-Cash Transfers to other Organs of State											
Insert description	3										
Total Non-Cash Transfers To Other Organs Of State:		–	–	–	–	–	–	–	–	–	–
Non-Cash Grants to Organisations											
Insert description	4										
Total Non-Cash Grants To Organisations		–	–	–	–	–	–	–	–	–	–
Groups of Individuals											
Insert description	5										
Total Non-Cash Grants To Groups Of Individuals:		–	–	–	–	–	–	–	–	–	–
TOTAL NON-CASH TRANSFERS AND GRANTS		–	–	–	–	–	–	–	–	–	–
TOTAL TRANSFERS AND GRANTS	6	528	851	1 078	1 038	1 058	999	999	1 079	1 144	1 212

References

1. Insert description listed by municipal name and demarcation code of recipient

2. Insert description of each entity or external mechanism (an external mechanism may be provided with resources to ensure a minimum level of service)

3. Insert description of each Organ of State (e.g. transfer to electricity provider to compensate for FBS provided)

4. Insert description of each other organisation (e.g. charity)

5 Insert description of each other organisation (e.g. the aged, child-headed households)

6. All descriptions should separate transfers for 'capital purposes' and 'operating purposes'

WC022 Witzenberg - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
	1	A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		4 980	5 087		4 071	4 071	4 071	7 091	7 517	7 968
Pension and UIF Contributions					613	613	613			
Medical Aid Contributions					–					
Motor Vehicle Allowance					1 566	1 566	1 566			
Cellphone Allowance					331	331	331			
Housing Allowances					–					
Other benefits and allowances					–					
Sub Total - Councillors		4 980	5 087	–	6 580	6 580	6 580	7 091	7 517	7 968
% increase	4		2.1%	(100.0%)	–	–	–	7.8%	6.0%	6.0%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		2 882	3 918		3 085	3 085	3 085	5 298	5 642	6 009
Pension and UIF Contributions					602	602	602			
Medical Aid Contributions					179	179	179			
Overtime					540	540	540			
Performance Bonus										
Motor Vehicle Allowance	3				–					
Cellphone Allowance	3				619	619	619			
Housing Allowances	3				–					
Other benefits and allowances	3				16	16	16			
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Senior Managers of Municipality		2 882	3 918	–	5 041	5 041	5 041	5 298	5 642	6 009
% increase	4		36.0%	(100.0%)	–	–	–	5.1%	6.5%	6.5%
Other Municipal Staff										
Basic Salaries and Wages		37 752	43 821	49 019	61 079	58 154	58 154	61 698	66 703	72 110
Pension and UIF Contributions		6 738	8 174	8 741	10 894	10 894	10 894	11 879	12 826	13 851
Medical Aid Contributions		2 828	3 232	3 591	5 421	5 296	5 296	6 024	6 624	7 285
Overtime		2 916	3 161	3 719	3 300	3 279	3 279	3 846	4 147	4 473
Performance Bonus		3 067	3 873	4 399	4 762	4 762	4 762	5 324	5 749	6 208
Motor Vehicle Allowance	3	1 952	2 192	2 476	2 364	2 423	2 423	2 688	2 902	3 132
Cellphone Allowance	3						–			
Housing Allowances	3	920	757	698	705	705	705	762	824	890
Other benefits and allowances	3	1 713	1 834	1 791	2 492	2 426	2 426	2 709	2 927	3 161
Payments in lieu of leave		983	1 925	890	566	566	566	611	660	713
Long service awards		182	180	232	297	297	297	270	300	330
Post-retirement benefit obligations	6	1 342	1 419	1 528	4 819	4 819	4 819	2 969	3 200	3 500
Sub Total - Other Municipal Staff		60 391	70 568	77 083	96 698	93 621	93 621	98 782	106 862	115 653
% increase	4		16.9%	9.2%	25.4%	(3.2%)	–	5.5%	8.2%	8.2%
Total Parent Municipality		68 253	79 573	77 083	108 319	105 242	105 242	111 171	120 021	129 629
			16.6%	(3.1%)	40.5%	(2.8%)	–	5.6%	8.0%	8.0%
Board Members of Entities										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3									
Cellphone Allowance	3									
Housing Allowances	3									
Other benefits and allowances	3									
Board Fees										
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Board Members of Entities		–	–	–	–	–	–	–	–	–
% increase	4		–	–	–	–	–	–	–	–
Senior Managers of Entities										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3									
Cellphone Allowance	3									
Housing Allowances	3									
Other benefits and allowances	3									
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Senior Managers of Entities		–	–	–	–	–	–	–	–	–
% increase	4		–	–	–	–	–	–	–	–
Other Staff of Entities										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3									
Cellphone Allowance	3									
Housing Allowances	3									
Other benefits and allowances	3									
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Other Staff of Entities		–	–	–	–	–	–	–	–	–
% increase	4		–	–	–	–	–	–	–	–
Total Municipal Entities		–	–	–	–	–	–	–	–	–
TOTAL SALARY, ALLOWANCES & BENEFITS		68 253	79 573	77 083	108 319	105 242	105 242	111 171	120 021	129 629
% increase	4		16.6%	(3.1%)	40.5%	(2.8%)	–	5.6%	8.0%	8.0%
TOTAL MANAGERS AND STAFF	5	63 273	74 486	[illegible]3	101 739	98 662	98 662	104 080	112 505	121 662

WC022 Witzenberg - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1. Rand per annum	Ref	No.	Salary	Contributions 1.	Allowances	Performance Bonuses	In-kind benefits	Total Package 2.
Councillors	3							
Speaker	4	1	389 556	58 433	73 345			521 335
Chief Whip								–
Executive Mayor		1	528 120	79 218	44 331			651 668
Deputy Executive Mayor		1	391 280	58 692	71 362			521 335
Executive Committee		4	1 527 376	247 510	493 991			2 268 877
Total for all other councillors		16	2 438 159	396 132	293 726			3 128 016
Total Councillors	8	23	5 274 491	839 985	976 754			7 091 230
Senior Managers of the Municipality	5							
Municipal Manager (MM)			820 148	201 873	115 020	157 620		1 294 660
Chief Finance Officer			626 276	122 124	127 121	125 274		1 000 795
Director: Community Services			624 177	159 186	92 159	125 274		1 000 795
Director: Corporate Services			626 276	122 124	127 121	125 274		1 000 795
Director: Technical Services			619 842	163 520	92 159	125 274		1 000 795
								–
List of each offical with packages >= senior manager								
								–
								–
								–
								–
								–
								–
								–
								–
								–
								–
								–
								–
Total Senior Managers of the Municipality	8	–	3 316 719	768 826	553 580	658 715		5 297 840
A Heading for Each Entity	6,7							
List each member of board by designation								
								–
								–
								–
								–
								–
								–
								–
								–
								–
								–
								–
								–
								–
								–
Total for municipal entities	8	–	–	–	–	–		–
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION		23	8 591 210	1 608 812	1 530 334	658 715		12 389 070

References

1. Pension and medical aid

2. Total package must equal the total cost to the municipality

3. List each political office bearer by designation. Provide a total for all other councillors

4. Political office bearer is defined in MFMA s 1: speaker, executive mayor, deputy executive mayor, member of executive committee, mayor, deputy mayor, member of mayoral committee, the councillor designated to exercise powers and duties of mayor (MSA s 57)

5. Also list each senior manager reporting to MM by designation and each official with package >= senior manager by designation

6. List each entity where municipality has an interest and state percentage ownership and control

7. List each senior manager reporting to the CEO of an Entity by designation

8. Must reconcile to relevant section of Table SA24

9. Must reconcile to totals shown for the budget year of Table SA22

WC022 Witzenberg - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	Ref	2010/11			Current Year 2011/12			Budget Year 2012/13		
Number	1,2	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)		23	6	17	23	6	17	23	6	17
Board Members of municipal entities	4									
Municipal employees	5									
Municipal Manager and Senior Managers	3	5		5	5		5	5		5
Other Managers	7	22	20		22	20		22	20	
Professionals		–	–	–	–	–	–	–	–	–
Finance										
Spatial/town planning										
Information Technology										
Roads										
Electricity										
Water										
Sanitation										
Refuse										
Other										
Technicians		*706*	*546*	*6*	*552*	*504*	*16*	*555*	*505*	*15*
Finance		59	50	6	59	50	6	62	50	6
Spatial/town planning		2	2		2	2		2	2	
Information Technology		1	1		1	1		1	1	
Roads		75	44		80	40	1	80	41	
Electricity		62	60		46	44	2	46	44	2
Water										
Sanitation		63	52		45	44	1	45	44	1
Refuse		141	98		81	80	1	81	80	1
Other		303	239		238	243	5	238	243	5
Clerks (Clerical and administrative)										
Service and sales workers										
Skilled agricultural and fishery workers										
Craft and related trades										
Plant and Machine Operators										
Elementary Occupations				17						
TOTAL PERSONNEL NUMBERS		756	572	45	602	530	38	605	531	37
% increase					(20.4%)	(7.3%)	(15.6%)	0.5%	0.2%	(2.6%)
Total municipal employees headcount	6									
Finance personnel headcount	8									
Human Resources personnel headcount	8									

References

1. Positions must be funded and aligned to the municipality's current organisational structure

2. Full Time Equivalent (FTE). E.g. One full time person = 1FTE. A person working half time (say 4 hours out of 8) = 0.5FTE.

3. s57 of the Systems Act

4. Include only in Consolidated Statements

5. Include municipal entity employees in Consolidated Statements

6. Include headcount (number fo persons, Not FTE) of managers and staff only (exclude councillors)

7. Managers who provide the direction of a critical technical function

8. Total number of employees working on these functions

WC022 Witzenberg - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Revenue By Source																
Property rates		44 369	(204)	(213)	(205)	(251)	(164)	(168)	(175)	984	(112)	(250)	(223)	43 388	45 794	48 757
Property rates - penalties & collection charges		45	47	46	97	90	81	79	47	45	52	50	49	729	816	819
Service charges - electricity revenue		15 097	15 066	13 333	13 490	7 954	9 971	12 011	13 616	12 602	13 187	14 582	11 874	152 783	183 469	215 137
Service charges - water revenue		2 148	2 141	2 135	2 084	2 435	2 399	3 283	2 546	3 055	2 624	2 548	1 749	29 146	30 666	33 000
Service charges - sanitation revenue		1 151	972	969	967	989	1 064	1 170	1 052	910	979	978	900	12 100	12 696	13 910
Service charges - refuse revenue		1 180	1 172	1 171	1 175	1 190	1 241	1 238	1 116	1 131	1 111	1 102	1 043	13 869	14 381	16 072
Service charges - other		1 401	1 575	1 404	1 975	1 586	1 258	1 290	1 501	1 439	1 471	1 397	(14 661)	1 635	1 698	1 837
Rental of facilities and equipment		463	777	745	815	728	716	764	549	925	421	747	70	7 719	8 014	8 674
Interest earned - external investments		(47)	50	351	170	20	12	52	18	1 480	250	386	(785)	1 957	1 857	2 199
Interest earned - outstanding debtors		284	289	292	324	253	358	370	378	391	426	408	366	4 139	4 718	4 651
Dividends received		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines		39	198	129	198	451	332	365	427	312	147	226	(655)	2 169	3 293	2 437
Licences and permits		41	19	15	15	20	12	16	19	14	12	7	54	244	254	274
Agency services		198	258	247	241	283	156	175	257	287	232	266	264	2 864	2 974	3 218
Transfers recognised - operational		544	86	157	195	198	120	257	174	356	158	185	73 748	76 178	70 916	75 016
Other revenue		5 822	5 822	5 822	5 822	5 822	5 822	5 822	5 919	5 822	5 822	5 822	(61 446)	2 690	2 804	3 030
Gains on disposal of PPE		0	0	0	0	0	0	0	0	0	0	0	0	2	2	2
Total Revenue (excluding capital transfers and contributions		72 737	28 268	26 601	27 364	21 768	23 377	26 722	27 444	29 753	26 782	28 453	12 346	351 614	384 352	429 033
Expenditure By Type																
Employee related costs		7 521	7 974	9 472	8 284	9 123	8 956	8 332	9 067	6 223	8 298	7 690	9 458	100 399	108 433	117 102
Remuneration of councillors		638	619	619	621	621	619	553	558	552	545	280	866	7 091	7 517	7 968
Debt impairment		1 166	6 356	(33)	586	56	2 652	735	879	1 454	852	1 984	(4 724)	11 962	12 611	13 290
Depreciation & asset impairment		2	2	2	2	2	2	2	2	2	2	2	18 597	18 623	20 627	18 919
Finance charges		350	(918)	3 139	513	1 076	1 131	442	586	3 900	167	1 391	5 701	17 478	19 636	20 499
Bulk purchases		–	14 352	14 122	8 204	7 986	8 015	8 079	9 986	8 686	9 591	8 542	20 695	118 259	144 807	173 769
Other materials		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Contracted services		225	891	1 332	717	960	840	727	890	906	726	839	326	9 378	9 651	10 207
Transfers and grants		179	33	59	157	28	32	203	66	70	200	7	46	1 079	1 144	1 212
Other expenditure		3 337	4 687	5 052	5 097	5 953	6 119	3 541	4 986	5 621	3 389	6 882	(6 287)	48 378	50 932	51 942
Loss on disposal of PPE		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure		13 419	33 996	33 766	24 182	25 805	28 366	22 614	27 020	27 414	23 771	27 617	44 678	332 648	375 356	414 908
Surplus/(Deficit)		59 318	(5 728)	(7 165)	3 182	(4 037)	(4 989)	4 108	424	2 339	3 011	836	(32 332)	18 966	8 995	14 125
Transfers recognised - capital		982	982	982	982	982	982	982	31 258	15 671	6 230	982	(61 018)	–	–	–
Contributions recognised - capital		–	–	–	–	–	–	–	–	–	–	–	62 001	62 001	33 135	20 099
Contributed assets		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		60 301	(4 746)	(6 183)	4 164	(3 055)	(4 007)	5 090	31 682	18 010	9 241	1 819	(31 349)	80 967	42 130	34 224
Taxation		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Attributable to minorities													–	–	–	–
Share of surplus/ (deficit) of associate													–	–	–	–
Surplus/(Deficit)	1	60 301	(4 746)	(6 183)	4 164	(3 055)	(4 007)	5 090	31 682	18 010	9 241	1 819	(31 349)	80 967	42 130	34 224

References

1. Surplus (Deficit) must reconcile with Budgeted Financial Performance

WC022 Witzenberg - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Revenue by Vote																
Vote 1 - Budget & Treasury Office		44 607	95	450	323	32	122	286	246	2 966	469	458	5 724	55 778	55 993	58 443
Vote 2 - Civil Services		4 878	4 663	4 645	4 692	5 051	5 148	6 140	34 190	18 324	10 493	5 153	4 102	107 479	88 787	84 001
Vote 3 - Community & Social Services		4 333	4 327	4 312	4 325	4 314	4 303	4 299	4 303	4 327	4 294	4 302	4 368	51 808	47 116	50 623
Vote 4 - Corporate Services		816	407	407	508	444	410	430	1 711	407	407	407	407	6 761	4 937	5 813
Vote 5 - Electricity		15 204	15 176	13 443	13 605	8 064	10 099	12 119	13 720	12 709	13 299	14 684	11 985	154 108	183 924	215 423
Vote 6 - Executive & Council		–	–	–	–	–	–	–	–	–	–	–	–	–	270	–
Vote 7 - Housing		1 277	1 276	1 276	1 275	1 276	1 281	1 282	1 283	1 281	1 279	1 280	1 279	15 344	15 410	16 194
Vote 8 - Planning		111	75	87	216	101	113	178	247	152	176	92	151	1 699	1 386	1 766
Vote 9 - Public Safety		248	471	389	450	752	498	554	701	611	391	497	(367)	5 194	6 434	5 836
Vote 10 - Sport & Recreation		951	1 241	1 236	1 192	1 219	1 218	1 308	1 032	3 387	910	1 237	515	15 445	13 229	11 032
Vote 11 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 12 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue by Vote		72 426	27 731	26 244	26 585	21 253	23 193	26 596	57 434	44 164	31 717	28 109	28 163	413 616	417 487	449 131
Expenditure by Vote to be appropriated																
Vote 1 - Budget & Treasury Office		1 523	1 981	2 917	2 552	2 643	3 014	1 492	3 115	496	2 173	4 011	5 135	31 053	30 723	32 366
Vote 2 - Civil Services		3 254	7 756	5 438	3 289	3 942	5 811	3 439	4 426	7 749	3 682	5 690	15 206	69 683	75 968	78 808
Vote 3 - Community & Social Services		1 250	1 427	1 683	1 534	1 586	1 752	1 434	1 412	1 526	1 417	1 392	1 702	18 114	18 495	17 863
Vote 4 - Corporate Services		2 791	3 196	3 276	2 800	3 356	3 380	2 436	2 601	2 813	1 271	2 188	4 903	35 012	36 940	39 284
Vote 5 - Electricity		1 166	15 733	16 115	9 637	9 425	9 857	9 300	11 162	10 599	10 899	10 105	24 370	138 367	166 424	197 060
Vote 6 - Executive & Council		693	709	766	849	833	773	757	736	803	780	726	985	9 410	9 835	10 286
Vote 7 - Housing		1 058	1 120	1 135	1 123	1 151	1 142	1 165	1 173	1 119	1 160	1 081	1 299	13 727	17 953	18 898
Vote 8 - Planning		251	377	354	398	446	355	316	312	271	367	392	377	4 216	4 617	5 253
Vote 9 - Public Safety		468	531	696	586	701	841	740	629	659	659	645	1 901	9 058	9 725	10 297
Vote 10 - Sport & Recreation		965	1 164	1 385	1 414	1 721	1 443	1 534	1 456	1 380	1 362	1 385	3 001	18 212	19 556	20 671
Vote 11 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 12 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure by Vote		13 419	33 996	33 766	24 182	25 805	28 366	22 614	27 020	27 414	23 771	27 617	58 880	346 850	390 238	430 786
Surplus/(Deficit) before assoc.		59 007	(6 265)	(7 522)	2 403	(4 552)	(5 173)	3 982	30 414	16 750	7 946	492	(30 717)	66 765	27 249	18 346
Taxation		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Attributable to minorities													–	–	–	–
Share of surplus/ (deficit) of associate													–	–	–	–
Surplus/(Deficit)	1	59 007	(6 265)	(7 522)	2 403	(4 552)	(5 173)	3 982	30 414	16 750	7 946	492	(30 717)	66 765	27 249	18 346

References

1. Surplus (Deficit) must reconcile with Budgeted Financial Performance

WC022 Witzenberg - Supporting Table SA27 Budgeted monthly revenue and expenditure (standard classification)

Description	Ref	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Revenue - Standard																
Governance and administration		816	407	407	508	444	410	430	1 711	407	407	(287)	56 878	62 538	60 930	64 256
Executive and council		236	236	236	236	236	236	236	236	236	236	(458)	929	2 831	3 200	4 083
Budget and treasury office		44 607	95	450	323	32	122	286	246	2 966	469	458	5 724	55 778	55 993	58 443
Corporate services		(44 027)	76	(278)	(50)	176	52	(92)	1 229	(2 796)	(298)	(287)	50 225	3 930	1 737	1 730
Community and public safety		6 525	6 993	6 907	6 941	7 213	7 089	7 207	7 000	9 261	6 585	6 999	5 433	84 152	78 962	80 192
Community and social services		4 187	4 207	4 194	4 205	4 196	4 185	4 181	4 186	4 209	4 176	4 184	4 223	50 333	47 039	50 539
Sport and recreation		951	1 241	1 236	1 192	1 219	1 218	1 308	1 032	3 387	910	1 237	515	15 445	13 229	11 032
Public safety		110	270	201	270	522	404	436	499	384	221	297	(584)	3 030	3 284	2 427
Housing		1 277	1 276	1 276	1 275	1 276	1 281	1 282	1 283	1 281	1 279	1 280	1 279	15 344	15 410	16 194
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		476	478	474	598	531	407	494	11 281	3 028	546	491	595	19 399	10 271	8 921
Planning and development		258	196	205	336	219	231	296	365	270	294	209	296	3 174	1 733	1 850
Road transport		219	282	269	262	312	176	199	10 917	2 757	252	281	298	16 225	8 538	7 071
Environmental protection		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Trading services		20 001	19 758	18 006	18 216	13 033	15 165	18 178	37 196	28 503	23 711	19 756	16 005	247 527	267 323	295 762
Electricity		15 132	15 104	13 370	13 533	7 991	10 026	12 047	13 648	12 637	13 227	14 611	11 912	153 238	183 924	215 423
Water		2 270	2 268	2 268	2 228	2 579	2 554	3 448	13 144	13 230	5 666	2 739	1 809	54 203	49 023	41 845
Waste water management		1 345	1 147	1 123	1 198	1 190	1 259	1 351	9 193	1 407	3 611	1 202	1 138	25 164	18 942	21 239
Waste management		1 254	1 239	1 246	1 257	1 272	1 326	1 332	1 212	1 229	1 207	1 203	1 146	14 922	15 434	17 255
Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue - Standard		27 818	27 636	25 794	26 263	21 221	23 071	26 310	57 188	41 198	31 248	26 958	78 911	413 616	417 487	449 131
Expenditure - Standard																
Governance and administration		4 919	5 986	7 012	6 142	6 851	7 282	4 590	6 538	4 106	4 104	6 990	11 302	75 823	77 682	82 433
Executive and council		1 656	1 018	1 120	1 054	1 084	1 077	869	900	920	947	662	1 407	12 712	13 009	13 873
Budget and treasury office		1 523	1 981	2 917	2 552	2 643	3 014	1 492	3 115	496	2 173	4 011	5 135	31 053	30 723	32 366
Corporate services		1 740	2 987	2 975	2 536	3 125	3 191	2 229	2 523	2 691	985	2 318	4 759	32 058	33 950	36 194
Community and public safety		3 459	4 016	4 613	4 428	4 833	4 981	4 553	4 328	4 350	4 251	4 272	7 541	55 625	62 064	63 738
Community and social services		1 059	1 189	1 390	1 311	1 327	1 478	1 210	1 117	1 235	1 182	1 155	1 330	14 982	15 192	14 336
Sport and recreation		965	1 164	1 385	1 414	1 721	1 443	1 534	1 456	1 380	1 362	1 385	3 001	18 212	19 556	20 671
Public safety		377	542	702	580	634	919	644	583	616	547	650	1 911	8 704	9 363	9 833
Housing		1 058	1 120	1 135	1 123	1 151	1 142	1 165	1 173	1 119	1 160	1 081	1 299	13 727	17 953	18 898
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		940	1 378	1 652	1 335	1 680	1 585	1 278	2 025	1 377	1 470	1 248	6 759	22 727	24 615	25 089
Planning and development		435	582	637	638	764	599	556	602	633	640	620	716	7 422	8 202	8 785
Road transport		448	737	940	625	854	928	662	1 365	688	771	568	5 961	14 547	15 597	15 425
Environmental protection		57	60	76	71	62	59	60	59	57	59	59	81	758	817	880
Trading services		3 952	22 614	20 487	12 129	12 439	14 516	12 058	14 126	17 579	13 810	15 105	33 275	192 092	225 258	258 870
Electricity		983	15 443	15 796	9 309	9 171	9 439	9 102	10 907	10 349	10 702	9 844	23 662	134 706	162 511	192 925
Water		834	2 888	2 109	697	770	1 946	808	900	3 425	759	1 447	2 783	19 366	21 579	22 401
Waste water management		845	1 649	1 334	1 007	1 004	1 388	861	973	1 696	1 094	1 468	4 402	17 722	19 189	20 243
Waste management		1 290	2 634	1 248	1 117	1 493	1 743	1 287	1 346	2 109	1 256	2 346	2 429	20 298	21 978	23 300
Other		148	2	2	148	2	2	135	2	2	135	2	3	583	618	656
Total Expenditure - Standard		13 419	33 996	33 766	24 182	25 805	28 366	22 614	27 020	27 414	23 771	27 617	58 880	346 850	390 238	430 786
Surplus/(Deficit) before assoc.		14 400	(6 360)	(7 971)	2 081	(4 585)	(5 295)	3 696	30 168	13 784	7 477	(659)	20 031	66 765	27 249	18 346
Share of surplus/ (deficit) of associate													–	–	–	–
Surplus/(Deficit)	1	14 400	(6 360)	(7 971)	2 081	(4 585)	(5 295)	3 696	30 168	13 784	7 477	(659)	20 031	66 765	27 249	18 346

References

1. Surplus (Deficit) must reconcile with Budeted Financial Performance

WC022 Witzenberg - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Multi-year expenditure *to be appropriated*	1															
Vote 1 - Budget & Treasury Office		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 2 - Civil Services		875	(25)	975	1 475	975	1 119	(635)	975	975	1 475	1 475	2 403	12 062	12 355	7 146
Vote 3 - Community & Social Services		–	–	–	–	–	–	–	–	37	–	(57)	80	60	100	–
Vote 4 - Corporate Services		–	–	–	–	–	–	–	54	–	(46)	–	92	100	100	100
Vote 5 - Electricity		870	–	–	–	–	–	–	–	–	–	–	–	870	–	–
Vote 6 - Executive & Council		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 7 - Housing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 8 - Planning		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 9 - Public Safety		(13)	(13)	(13)	(13)	(13)	(13)	(13)	138	(13)	(13)	(13)	138	150	50	–
Vote 10 - Sport & Recreation		–	–	–	–	–	–	–	–	–	–	–	–	–	20	50
Vote 11 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 12 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Capital multi-year expenditure sub-total	2	1 733	(38)	963	1 463	963	1 107	(648)	1 166	999	1 417	1 406	2 712	13 242	12 625	7 296
Single-year expenditure *to be appropriated*																
Vote 1 - Budget & Treasury Office		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 2 - Civil Services		6 582	3 290	1 509	11 631	2 728	2 473	(2 917)	2 125	3 879	5 138	648	5 875	42 961	24 799	14 322
Vote 3 - Community & Social Services		15	50	(0)	(0)	1 315	50	(0)	(0)	(0)	(0)	(0)	1	1 431	276	570
Vote 4 - Corporate Services		910	201	1 172	–	125	–	47	56	301	89	6	(50)	2 857	630	3 266
Vote 5 - Electricity		333	133	397	–	(1)	(3)	2 200	(0)	–	–	–	7	3 066	763	400
Vote 6 - Executive & Council		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 7 - Housing		–	–	–	–	–	–	–	–	–	–	–	–	–	70	–
Vote 8 - Planning		33	33	33	483	33	33	33	33	33	33	33	(367)	450	–	–
Vote 9 - Public Safety		664	(240)	–	(8)	366	–	–	–	–	–	–	263	1 044	560	370
Vote 10 - Sport & Recreation		1 518	24	872	878	135	195	20	1 425	1 858	1 999	1 021	(54)	9 891	7 061	4 450
Vote 11 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 12 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Capital single-year expenditure sub-total	2	10 057	3 491	3 983	12 984	4 701	2 748	(617)	3 639	6 072	7 260	1 708	5 675	61 700	34 160	23 378
Total Capital Expenditure	2	11 789	3 454	4 945	14 446	5 663	3 855	(1 265)	4 805	7 071	8 676	3 114	8 388	74 943	46 785	30 675

References

1. Table should be completed as either Multi-Year expenditure appropriation or Budget Year and Forward Year estimates

2. Total Capital Expenditure must reconcile to Budgeted Capital Expenditure

WC022 Witzenberg - Supporting Table SA29 Budgeted monthly capital expenditure (standard classification)

Description	Ref	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Capital Expenditure - Standard	1															
Governance and administration		916	201	1 172	(0)	125	(0)	47	110	301	43	6	44	2 964	737	3 616
Executive and council		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Budget and treasury office		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Corporate services		916	201	1 172	(0)	125	(0)	47	110	301	43	6	44	2 964	737	3 616
Community and public safety		3 049	(56)	860	857	488	233	8	1 563	1 882	1 986	952	426	12 246	8 130	5 190
Community and social services		9	50	–	–	–	50	–	–	37	–	(57)	80	169	369	320
Sport and recreation		1 518	24	872	878	135	195	20	1 425	1 858	1 999	1 021	(54)	9 891	7 081	4 500
Public safety		1 522	(131)	(13)	(21)	353	(13)	(13)	138	(13)	(13)	(13)	400	2 186	610	370
Housing		–	–	–	–	–	–	–	–	–	–	–	–	–	70	–
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		5 443	2 709	30	8 436	1 348	680	(1 334)	33	1 633	885	33	(142)	19 754	8 171	6 652
Planning and development		33	33	33	483	1 348	33	33	33	33	33	33	(367)	1 765	–	–
Road transport		5 410	2 675	(3)	7 952	(1)	647	(1 367)	(0)	1 600	851	–	224	17 989	8 171	6 652
Environmental protection		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Trading services		2 381	601	2 884	5 153	3 703	2 942	15	3 100	3 254	5 762	2 123	8 061	39 979	29 747	15 216
Electricity		333	–	400	–	–	–	2 200	–	–	–	–	–	2 933	740	400
Water		775	475	1 475	3 778	2 177	1 964	(1 475)	2 375	2 375	3 384	1 747	4 942	23 992	22 961	6 846
Waste water management		932	126	1 159	1 376	1 526	978	(621)	725	879	2 378	376	2 718	12 553	5 824	6 920
Waste management		341	–	(150)	–	–	–	(90)	–	–	–	–	400	501	222	1 050
Other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Standard	2	11 789	3 454	4 945	14 446	5 663	3 855	(1 265)	4 805	7 071	8 676	3 114	8 388	74 943	46 785	30 675

References

1. Table should be completed as either Multi-Year expenditure appropriation or Budget Year and Forward Year estimates

2. Total Capital Expenditure must reconcile to Budgeted Capital Expenditure

WC022 Witzenberg - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Cash Receipts By Source													1		
Property rates	3 705	3 239	3 230	3 239	3 191	3 273	3 272	3 263	4 424	3 329	3 192	3 224	40 581	42 875	45 763
Property rates - penalties & collection charges	45	47	46	97	90	81	79	47	45	52	50	49	729	816	819
Service charges - electricity revenue	15 045	14 703	13 353	13 473	7 969	9 830	11 985	13 582	12 533	13 154	14 481	11 966	152 074	182 717	214 339
Service charges - water revenue	1 689	(1 080)	2 314	1 934	2 567	1 149	3 053	2 240	2 443	2 332	1 654	4 588	24 884	26 148	28 212
Service charges - sanitation revenue	1 028	109	1 017	927	1 024	729	1 109	970	746	901	739	1 791	11 089	11 623	12 773
Service charges - refuse revenue	952	(432)	1 260	1 100	1 256	619	1 124	964	826	966	657	2 250	11 540	11 912	13 455
Service charges - other	108	55	65	214	89	91	182	233	179	175	70	173	1 635	1 698	1 837
Rental of facilities and equipment	433	746	715	784	698	691	737	524	897	393	718	35	7 372	7 650	8 280
Interest earned - external investments	(47)	50	351	170	20	12	52	18	1 480	250	386	(785)	1 957	1 857	2 199
Interest earned - outstanding debtors	284	289	292	324	253	358	370	378	391	426	408	366	4 139	4 718	4 651
Dividends received	–	–	–	–	–	–	–	–	–	–	–	–	–	(150)	(170)
Fines	39	198	129	198	451	332	365	427	312	147	226	(655)	2 169	3 293	2 437
Licences and permits	41	19	15	15	20	12	16	19	14	12	7	54	244	254	274
Agency services	198	258	247	241	283	156	175	257	287	232	266	264	2 864	2 974	3 218
Transfer receipts - operational	5 822	5 822	5 822	5 822	5 822	5 822	5 822	5 919	5 822	5 822	5 822	12 042	76 178	70 916	75 016
Other revenue	184	73	144	183	186	108	244	162	343	146	173	248	2 194	2 287	2 468
Cash Receipts by Source	29 526	24 097	29 000	28 722	23 919	23 263	28 583	29 002	30 744	28 339	28 847	35 609	339 650	371 589	415 571
Other Cash Flows by Source															
Transfer receipts - capital	982	982	982	982	982	982	982	31 258	15 671	6 230	982	983	62 001	33 135	20 099
Contributions recognised - capital & Contributed assets	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Proceeds on disposal of PPE	0	0	0	0	0	0	0	0	0	0	0	0	2	2	2
Short term loans	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (Increase) in non-current debtors	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) other non-current receivables	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Receipts by Source	30 509	25 080	29 982	29 704	24 902	24 245	29 566	60 260	46 415	34 569	29 829	36 592	401 653	404 725	435 672
Cash Payments by Type															
Employee related costs	7 360	7 974	9 472	8 284	9 123	8 956	8 332	9 067	6 223	8 298	7 690	9 458	100 238	104 930	113 319
Remuneration of councillors	638	619	619	621	621	619	553	558	552	545	280	866	7 091	7 517	7 968
Finance charges	11	(918)	3 139	513	1 076	1 131	442	586	3 900	167	1 391	5 701	17 139	14 268	14 810
Bulk purchases - Electricity	–	14 352	14 122	8 204	7 986	8 015	8 079	9 986	8 686	9 591	8 542	20 695	118 259	144 807	173 769
Bulk purchases - Water & Sewer	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other materials	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Contracted services	225	891	1 332	717	960	840	727	890	906	726	839	326	9 378	9 651	10 207
Transfers and grants - other municipalities	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and grants - other	179	33	59	157	28	32	203	66	70	200	7	46	1 079	1 144	1 212
Other expenditure	3 337	4 687	5 052	5 097	5 953	6 119	3 541	4 986	5 621	3 389	6 882	7 915	62 580	65 813	67 820
Cash Payments by Type	11 749	27 638	33 797	23 594	25 747	25 712	21 877	26 139	25 958	22 916	25 630	45 007	315 764	348 129	389 105
Other Cash Flows/Payments by Type															
Capital assets	–	–	–	–	–	–	–	–	–	–	–	–	–	46 785	30 675
Repayment of borrowing	–	–	2 381	–	372	967	–	–	2 381	–	372	967	7 441	8 045	8 700
Other Cash Flows/Payments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Payments by Type	11 749	27 638	36 178	23 594	26 119	26 679	21 877	26 139	28 339	22 916	26 002	45 974	323 205	402 959	428 479
NET INCREASE/(DECREASE) IN CASH HELD	18 759	(2 558)	(6 196)	6 110	(1 217)	(2 434)	7 689	34 121	18 076	11 653	3 827	(9 382)	78 448	1 766	7 192
Cash/cash equivalents at the month/year begin:	34 806	53 566	51 007	44 812	50 922	49 705	47 271	54 961	89 082	107 158	118 810	122 637	34 806	113 255	115 021
Cash/cash equivalents at the month/year end:	53 566	51 007	44 812	50 922	49 705	47 271	54 961	89 082	107 158	118 810	122 637	113 255	113 255	115 021	122 213

WC022 Witzenberg - Supporting Table SA33 Contracts having future budgetary implications

Description	Ref	Preceding Years	Current Year 2011/12	2012/13 Medium Term Revenue & Expenditure Framework			Forecast 2015/16	Forecast 2016/17	Forecast 2017/18	Forecast 2018/19	Forecast 2019/20	Forecast 2020/21	Forecast 2021/22	Total Contract Value
R thousand	1,3	Total	Original Budget	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Parent Municipality:														
Revenue Obligation By Contract	2													
Contract 1	contracts exceeding R 500 000													–
Contract 2														–
Contract 3 etc														–
Total Operating Revenue Implication		–	–	–	–	–	–	–	–	–	–	–	–	–
Expenditure Obligation By Contract	2													
Contract 1														–
Contract 2														–
Contract 3 etc														–
Total Operating Expenditure Implication		–	–	–	–	–	–	–	–	–	–	–	–	–
Capital Expenditure Obligation By Contract	2													
Contract 1														–
Contract 2														–
Contract 3 etc														–
Total Capital Expenditure Implication		–	–	–	–	–	–	–	–	–	–	–	–	–
Total Parent Expenditure Implication		–	–	–	–	–	–	–	–	–	–	–	–	–
Entities:														
Revenue Obligation By Contract	2													
Contract 1														–
Contract 2														–
Contract 3 etc														–
Total Operating Revenue Implication		–	–	–	–	–	–	–	–	–	–	–	–	–
Expenditure Obligation By Contract	2													
Contract 1														–
Contract 2														–
Contract 3 etc														–
Total Operating Expenditure Implication		–	–	–	–	–	–	–	–	–	–	–	–	–
Capital Expenditure Obligation By Contract	2													
Contract 1														–
Contract 2														–
Contract 3 etc														–
Total Capital Expenditure Implication		–	–	–	–	–	–	–	–	–	–	–	–	–
Total Entity Expenditure Implication		–	–	–	–	–	–	–	–	–	–	–	–	–

References

1. Total implication for all preceding years to be summed and total stated in 'Preceding Years' column

2. List all contracts with future financial obligations beyond the three years covered by the MTREF (MFMA s33)

WC022 Witzenberg - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		14 334	21 071	33 116	55 710	51 343	51 343	46 896	29 225	10 899
Infrastructure - Road transport		7 669	7 237	13 506	17 342	19 847	19 847	10 356	5 380	3 652
Roads, Pavements & Bridges		5 576	3 595	13 506	14 662	16 813	16 813	10 205	5 380	3 652
Storm water		2 093	3 643	–	2 680	3 034	3 034	152	–	–
Infrastructure - Electricity		2 411	2 155	699	500	641	641	1 592	600	400
Generation		–	–	–	–	–	–	–	–	–
Transmission & Reticulation		2 411	2 155	528	500	641	641	600	600	400
Street Lighting		–	–	171	–	–	–	992	–	–
Infrastructure - Water		3 931	9 028	13 850	25 923	20 602	20 602	23 677	22 945	6 846
Dams & Reservoirs		711	4 483	–	–	–	–	398	–	–
Water purification		3 095	4 132	–	–	–	–	–	–	–
Reticulation		125	412	13 850	25 923	20 602	20 602	23 278	22 945	6 846
Infrastructure - Sanitation		–	1 644	4 667	10 629	7 075	7 075	7 006	300	–
Reticulation		–	1 644	–	10 629	7 075	7 075	7 006	300	–
Sewerage purification		–	–	4 667	–	–	–	–	–	–
Infrastructure - Other		322	1 007	394	1 316	3 177	3 177	4 265	–	–
Waste Management		–	648	–	439	230	230	120	–	–
Transportation	2	–	–	–	877	947	947	4 145	–	–
Gas		–	–	–	–	2 000	2 000	–	–	–
Other	3	322	359	394	–	–	0	–	–	–
Community		724	2 987	14 558	3 082	4 196	4 196	5 642	1 203	1 613
Parks & gardens		–	–	–	–	–	–	–	–	–
Sportsfields & stadia		45	530	784	–	–	–	329	833	1 543
Swimming pools		–	–	–	–	–	–	–	–	–
Community halls		–	–	683	–	–	–	–	–	–
Libraries		–	–	–	–	–	–	–	–	–
Recreational facilities		–	–	2 368	3 007	4 121	4 121	5 263	–	–
Fire, safety & emergency		–	–	–	–	–	–	–	–	–
Security and policing		–	–	–	75	75	75	50	70	70
Buses	7	–	–	–	–	–	–	–	–	–
Clinics		–	–	–	–	–	–	–	–	–
Museums & Art Galleries		–	–	–	–	–	–	–	–	–
Cemeteries		–	–	–	–	–	–	–	–	–
Social rental housing	8	–	–	–	1 400	2 977	2 977	2 200	–	–
Other		679	2 458	10 723	(1 400)	(2 977)	(2 977)	(2 200)	300	–
Heritage assets		–	–	–	–	–	–	–	–	–
Buildings		–	–	–	–	–	–	–	–	–
Other	9	–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Housing development		–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–
Other assets		4 833	5 663	10 249	5 300	7 966	7 982	10 116	5 370	5 036
General vehicles		2 892	2 343	1 762	250	332	332	630	100	1 400
Specialised vehicles	10	–	678	–	–	–	–	–	–	–
Plant & equipment		421	177	1 788	400	401	401	750	100	450
Computers - hardware/equipment		659	1 026	–	39	35	35	85	120	–
Furniture and other office equipment		861	366	1 486	212	428	428	760	450	400
Abattoirs		–	–	–	–	–	–	–	–	–
Markets		–	–	–	–	–	–	–	–	–
Civic Land and Buildings		–	–	–	–	–	–	–	150	–
Other Buildings		–	–	4 423	–	–	–	–	–	–
Other Land		–	–	–	–	–	–	–	–	–
Surplus Assets - (Investment or Inventory)		–	–	–	–	–	–	–	–	–
Other		–	1 073	790	4 400	6 770	6 785	7 891	4 450	2 786
Agricultural assets		–	–	–	–	–	–	–	–	–
Agricultural 1		–	–	–	–	–	–	–	–	–
Agricultural 2		–	–	–	–	–	–	–	–	–
Biological assets		–	–	–	–	–	–	–	–	–
Biological 1		–	–	–	–	–	–	–	–	–
Biological 2		–	–	–	–	–	–	–	–	–
Intangibles		295	–	–	6	235	235	–	–	–
Computers - software & programming		295	–	–	6	235	235	–	–	–
Other		–	–	–	–	–	–	–	–	–
Total Capital Expenditure on new assets	1	20 186	29 722	57 923	64 097	63 740	63 756	62 655	35 799	17 547

Specialised vehicles		–	678	–	–	–	–	–	–	–
Refuse		–	678		–	–	–	–	–	–
Fire		–	–	–	–	–	–	–	–	–
Conservancy		–	–	–	–	–	–	–	–	–
Ambulances		–	–	–	–	–	–	–	–	–

References

1. Total Capital Expenditure on new assets (SA34a) plus Total Capital Expenditure on renewal of existing assets (SA34b) must reconcile to total capital expenditure in Budgeted Capital Expenditure

2. Airports, Car Parks, Bus Terminals and Taxi Ranks

3. For example - technology backbones (e.g. fibre optic, WIFI infrastructure) for economic development purposes

4. Work-in-progress/under construction to be budgeted under the respective item

5. Infrastructure includes 'land and buildings required' by that infrastructure and vehicles/plant & equipment used by the service generated by that infrastructure

6. Donated/contributed & leased assets to be included within the respective sub-class

WC022 Witzenberg - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		–	–	1 944	2 138	12 566	12 737	8 436	8 253	9 900
Infrastructure - Road transport		–	–	350	350	3 470	3 470	3 363	3 053	3 000
Roads, Pavements & Bridges		–	–	350	350	3 470	3 470	3 063	2 753	3 000
Storm water		–	–	–	–	–	–	300	300	–
Infrastructure - Electricity		–	–	286	–	–	–	–	–	–
Generation		–	–	–	–	–	–	–	–	–
Transmission & Reticulation		–	–	286	–	–	–	–	–	–
Street Lighting		–	–	–	–	–	–	–	–	–
Infrastructure - Water		–	–	–	–	–	–	–	–	–
Dams & Reservoirs		–	–	–	–	–	–	–	–	–
Water purification		–	–	–	–	–	–	–	–	–
Reticulation		–	–	–	–	–	–	–	–	–
Infrastructure - Sanitation		–	–	1 308	1 788	9 096	9 267	5 073	5 200	6 900
Reticulation		–	–	–	1 788	9 096	9 267	5 073	5 200	6 900
Sewerage purification		–	–	1 308	–	–	–	–	–	–
Infrastructure - Other		–	–	–	–	–	–	–	–	–
Waste Management		–	–	–	–	–	–	–	–	–
Transportation	2	–	–	–	–	–	–	–	–	–
Gas		–	–	–	–	–	–	–	–	–
Other	3	–	–	–	–	–	–	–	–	–
Community		–	–	465	50	68	68	1 854	1 767	2 157
Parks & gardens		–	–	–	–	–	–	–	–	–
Sportsfields & stadia		–	–	272	–	–	–	1 754	1 667	2 057
Swimming pools		–	–	–	–	–	–	–	–	–
Community halls		–	–	60	–	–	–	–	–	–
Libraries		–	–	–	–	–	–	–	–	–
Recreational facilities		–	–	133	50	68	68	100	100	100
Fire, safety & emergency		–	–	–	–	–	–	–	–	–
Security and policing		–	–	–	–	–	–	–	–	–
Buses	7	–	–	–	–	–	–	–	–	–
Clinics		–	–	–	–	–	–	–	–	–
Museums & Art Galleries		–	–	–	–	–	–	–	–	–
Cemeteries		–	–	–	–	–	–	–	–	–
Social rental housing	8	–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Buildings		–	–	–	–	–	–	–	–	–
Other	9	–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Housing development		–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–
Other assets		–	–	1 602	1 291	2 984	3 193	1 937	967	1 070
General vehicles		–	–	761	510	456	654	550	460	450
Specialised vehicles	10	–	–	–	–	664	664	664	–	–
Plant & equipment		–	–	124	–	–	–	–	–	–
Computers - hardware/equipment		–	–	–	135	188	188	200	260	200
Furniture and other office equipment		–	–	717	71	115	115	43	–	250
Abattoirs		–	–	–	–	–	–	–	–	–
Markets		–	–	–	–	–	–	–	–	–
Civic Land and Buildings		–	–	–	–	22	22	–	–	–
Other Buildings		–	–	–	–	–	–	–	–	–
Other Land		–	–	–	–	–	–	–	–	–
Surplus Assets - (Investment or Inventory)		–	–	–	–	–	–	–	–	–
Other		–	–	–	575	1 540	1 551	481	247	170
Agricultural assets		–	–	–	–	–	–	–	–	–
Agricultural 1		–	–	–	–	–	–	–	–	–
Agricultural 2		–	–	–	–	–	–	–	–	–
Biological assets		–	–	–	–	–	–	–	–	–
Biological 3		–	–	–	–	–	–	–	–	–
Total specified assets		–	–	–	–	–	–	–	–	–
Intangibles		–	–	–	120	258	258	60	–	–
Computers - software & programming		–	–	–	120	258	258	60	–	–
Other		–	–	–	–	–	–	–	–	–
Total Capital Expenditure on renewal of existing assets	1	–	–	4 011	3 599	15 876	16 257	12 288	10 986	13 127

Specialised vehicles		–	–	–	–	664	664	664	–	–
Refuse		–	–	–	–	–	–	–	–	–
Fire		–	–	–	–	664	664	664	–	–
Conservancy		–	–	–	–	–	–	–	–	–
Ambulances		–	–	–	–	–	–	–	–	–
Renewal of Existing Assets as % of total capex		*0.0%*	*0.0%*	*6.5%*	*5.3%*	*19.9%*	*20.3%*	*16.4%*	*23.5%*	*42.8%*
Renewal of Existing Assets as % of deprecn"		*0.0%*	*0.0%*	*45.6%*	*22.7%*	*99.9%*	*102.7%*	*66.0%*	*53.3%*	*69.4%*

WC022 Witzenberg - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		7 015	6 143	7 837	8 175	9 874	10 710	9 089	9 695	10 342
Infrastructure - Road transport		3 080	2 634	3 387	4 221	4 588	4 084	3 218	3 436	3 669
Roads, Pavements & Bridges		2 232	2 112	3 002	3 908	4 088	3 585	2 678	2 853	3 039
Storm water		848	522	385	313	500	499	540	583	630
Infrastructure - Electricity		1 936	1 645	2 047	2 133	3 371	3 924	3 573	3 788	4 015
Generation										
Transmission & Reticulation		1 456	1 262	1 546	1 645	2 357	3 126	2 610	2 767	2 933
Street Lighting		481	384	501	488	1 014	799	963	1 021	1 082
Infrastructure - Water		667	511	842	655	892	1 052	974	1 052	1 137
Dams & Reservoirs										
Water purification										
Reticulation		667	511	842	655	892	1 052	974	1 052	1 137
Infrastructure - Sanitation		1 332	1 352	1 561	1 166	1 023	1 650	1 323	1 419	1 522
Reticulation		1 332	1 352	1 561	1 166	1 023	1 650	1 323	1 419	1 522
Sewerage purification										
Infrastructure - Other		–	–	–	–	–	–	–	–	–
Waste Management										
Transportation	2									
Gas										
Other	3									
Community		132	189	196	246	246	436	737	423	443
Parks & gardens		8	8	9	9	9	38	10	10	11
Sportsfields & stadia		15	15	16	17	17	97	17	19	25
Swimming pools		14	41	16	34	34	17	36	38	41
Community halls		–	–	–	16	16	5	17	18	19
Libraries										
Recreational facilities		90	118	146	160	160	268	370	330	339
Fire, safety & emergency		–	–	–	–	–	–	280	–	–
Security and policing										
Buses	7									
Clinics										
Museums & Art Galleries										
Cemeteries		4	7	8	9	9	9	7	8	9
Social rental housing	8									
Other										
Heritage assets		–	–	–	–	–	–	–	–	–
Buildings										
Other	9									
Investment properties		–	–	–	–	–	–	–	–	–
Housing development										
Other										
Other assets		2 819	2 610	2 972	4 190	4 281	4 463	4 426	4 963	5 292
General vehicles		1 590	1 403	1 234	2 010	2 064	2 166	2 341	2 732	2 898
Specialised vehicles	10	–	–	–	–	–	–	–	–	–
Plant & equipment		408	436	415	555	539	571	475	476	517
Computers - hardware/equipment		30	22	47	29	29	43	155	171	187
Furniture and other office equipment		161	112	191	309	298	193	96	108	121
Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings		629	638	1 084	1 287	1 351	1 490	1 359	1 476	1 570
Other Land										
Surplus Assets - (Investment or Inventory)										
Other										

Agricultural assets		–	–	–	–	–	–	–	–	–
List sub-class										
Biological assets		–	–	–	–	–	–	–	–	–
List sub-class										
Intangibles		–	–	–	–	–	–	–	–	–
Computers - software & programming										
Other *(list sub-class)*										
Total Repairs and Maintenance Expenditure	1	9 965	8 942	11 005	12 612	14 402	15 609	14 252	15 081	16 078

Specialised vehicles		–	–	–	–	–	–	–	–	–
Refuse										
Fire										
Conservancy										
Ambulances										
R&M as a % of PPE		*7.7%*	*6.0%*	*5.4%*	*5.4%*	*6.5%*	*7.0%*	*5.3%*	*5.1%*	*5.4%*
R&M as % Operating Expenditure		*4.7%*	*3.8%*	*4.3%*	*4.6%*	*5.3%*	*5.6%*	*4.3%*	*4.0%*	*3.9%*

References

1. Total Repairs and Maintenance Expenditure by Asset Category must reconcile to total repairs and maintenance expenditure on Table SA1

2. Airports, Car Parks, Bus Terminals and Taxi Ranks

3. For example - technology backbones (e.g. fibre optic, WIFI infrastructure) for economic development purposes

4. Work-in-progress/under construction to be budgeted under the respective item

5. Infrastructure includes 'land and buildings required' by that infrastructure and vehicles/plant & equipment used by the service generated by that infrastructure

6. Donated/contributed & leased assets to be included within the respective sub-class

7. Busses used to provide a service to the community

8. Not municipal contributions to the 'top structure' being built using the housing subsidies

9. Statues, art collections, medals etc.

10. Ambulances, fire engines, refuse vehicles - but not vehicles that would normally be classified as 'Plant and equipment'

WC022 Witzenberg - Supporting Table SA34d Depreciation by asset class

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Depreciation by Asset Class/Sub-class										
Infrastructure		775	1 632	2 660	14 017	14 017	14 017	14 371	16 648	12 997
Infrastructure - Road transport		396	758	1 641	4 357	4 357	4 357	4 934	3 746	4 157
Roads, Pavements & Bridges		396	758	1 162	4 357	4 357	4 357	4 934	3 746	4 157
Storm water			–	479						
Infrastructure - Electricity		87	174	223	70	70	70	410	267	250
Generation										
Transmission & Reticulation		87	174	223	70	70	70	410	267	250
Street Lighting										
Infrastructure - Water		132	313	346	6 153	6 153	6 153	6 146	10 193	4 278
Dams & Reservoirs										
Water purification		132	313	346	6 153	6 153	6 153	6 146	10 193	4 278
Reticulation										
Infrastructure - Sanitation		77	188	215	2 913	2 913	2 913	2 882	2 443	4 312
Reticulation		77	188	215	2 913	2 913	2 913	2 882	2 443	4 312
Sewerage purification										
Infrastructure - Other		83	199	235	523	523	523	–	–	–
Waste Management					103	103	103			
Transportation	2									
Gas										
Other	3	83	199	235	420	420	420			
Community		33	98	234	1 211	1 211	1 211	3 284	2 976	2 312
Parks & gardens										
Sportsfields & stadia										
Swimming pools										
Community halls		12	12	63	483	483	483	476	44	
Libraries										
Recreational facilities		18	26	46	728	728	728	2 809	2 932	2 312
Fire, safety & emergency			41	102						
Security and policing										
Buses	7									
Clinics										
Museums & Art Galleries										
Cemeteries										
Social rental housing	8									
Other		4	18	24					–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Buildings										
Other	9									
Investment properties		–	–	–	–	–	–	–	–	–
Housing development										
Other										
Other assets		3 900	5 003	5 116	656	656	656	968	1 003	3 609
General vehicles		598	1 133	779	99	99	99	72	249	1 156
Specialised vehicles	10	–	–	–	59	59	59	–	–	–
Plant & equipment		402	595	608	239	239	239	390	554	587
Computers - hardware/equipment										
Furniture and other office equipment		1 050	1 283	1 403	260	260	260	116	178	250
Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings		1 851	1 864	1 864				377	22	1 572
Other Land										
Surplus Assets - (Investment or Inventory)										
Other			128	462				13	–	44

Agricultural assets		–	–	–	–	–	–	–	–	–
List sub-class										
Biological assets		–	–	–	–	–	–	–	–	–
List sub-class										
Intangibles		–	–	3	–	–	–	–	–	–
Computers - software & programming		–	–	3						
Other *(list sub-class)*										
Total Depreciation	1	4 708	6 733	8 013	15 884	15 884	15 884	18 623	20 627	18 919

Specialised vehicles		–	–	–	59	59	59	–	–	–
Refuse		–								
Fire					59	59	59			
Conservancy										
Ambulances										

References

1. Depreciation based on write down values. Not including Depreciation resulting from revaluation.

2. Airports, Car Parks, Bus Terminals and Taxi Ranks

3. For example - technology backbones (e.g. fibre optic, WIFI infrastructure) for economic development purposes

4. Work-in-progress/under construction to be budgeted under the respective item

5. Infrastructure includes 'land and buildings required' by that infrastructure and vehicles/plant & equipment used by the service generated by that infrastructure

6. Donated/contributed & leased assets to be included within the respective sub-class

7. Busses used to provide a service to the community

8. Not municipal contributions to the 'top structure' being built using the housing subsidies

9. Statues, art collections, medals etc.

10. Ambulances, fire engines, refuse vehicles - but not vehicles that would normally be classified as 'Plant and equipment'

WC022 Witzenberg - Supporting Table SA35 Future financial implications of the capital budget

Vote Description	Ref	2012/13 Medium Term Revenue & Expenditure Framework			Forecasts			
R thousand		Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15	Forecast 2015/16	Forecast 2016/17	Forecast 2017/18	Present value
Capital expenditure	1							
Vote 1 - Budget & Treasury Office		–	–	–				
Vote 2 - Civil Services		55 023	37 155	21 469				
Vote 3 - Community & Social Services		1 491	376	570				
Vote 4 - Corporate Services		2 957	730	3 366				
Vote 5 - Electricity		3 937	763	400				
Vote 6 - Executive & Council		–	–	–				
Vote 7 - Housing		–	70	–				
Vote 8 - Planning		450	–	–				
Vote 9 - Public Safety		1 194	610	370				
Vote 10 - Sport & Recreation		9 891	7 081	4 500				
Vote 11 -		–	–	–				
Vote 12 -		–	–	–				
Vote 13 -		–	–	–				
Vote 14 -		–	–	–				
Vote 15 -		–	–	–				
List entity summary if applicable								
Total Capital Expenditure		74 943	46 785	30 675	–	–	–	–
Future operational costs by vote	2							
Vote 1 - Budget & Treasury Office								
Vote 2 - Civil Services								
Vote 3 - Community & Social Services								
Vote 4 - Corporate Services								
Vote 5 - Electricity								
Vote 6 - Executive & Council								
Vote 7 - Housing								
Vote 8 - Planning								
Vote 9 - Public Safety								
Vote 10 - Sport & Recreation								
Vote 11 -								
Vote 12 -								
Vote 13 -								
Vote 14 -								
Vote 15 -								
List entity summary if applicable								
Total future operational costs		–	–	–	–	–	–	–
Future revenue by source	3							
Property rates								
Property rates - penalties & collection charges								
Service charges - electricity revenue								
Service charges - water revenue								
Service charges - sanitation revenue								
Service charges - refuse revenue								
Service charges - other								
Rental of facilities and equipment								
List other revenues sources if applicable								
List entity summary if applicable								
Total future revenue		–	–	–	–	–	–	–
Net Financial Implications		74 943	46 785	30 675	–	–	–	–

References

1. Summarise the total capital cost until capital project is operational (MFMA s19(2)(a))

2. Summary of future operational costs from when projects operational (present value until the end of each asset's useful life) (MFMA s19(2)(b))

3. Summarise the future revenue from when projects are operational, including municipal tax and tariff implications, (present value until the end of asset's useful life)

WC022 Witzenberg - Supporting Table SA36 Detailed capital budget

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2012/13 Medium Term Revenue & Expenditure Framework			Project information	
R thousand	4			2	6	3	3	5		Audited Outcome 2010/11	Current Year 2011/12 Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15	Ward location	New or renewal
Parent municipality:																
List all capital projects grouped by Municipal Vote																
Budget & Treasury Office		Computer Hardware: Prepaid		Financial Viability		Other Assets	Tools & Equipment				15	–	–	–	All	Replacement
Budget & Treasury Office		Furniture		Financial Viability		Other Assets	Tools & Equipment				–	–	–	–	All	Replacement
Budget & Treasury Office		Furniture - Treasury Debto		Financial Viability		Other Assets	Tools & Equipment				10	–	–	–	All	Replacement
Budget & Treasury Office		Furniture & Equipment - Fi		Financial Viability		Other Assets	Tools & Equipment				2	–	–	–	All	Replacement
Budget & Treasury Office		Phone Recording System		Financial Viability		Other Assets	Tools & Equipment				19	–	–	–	All	New
Budget & Treasury Office		Prepaid Vending		Financial Viability		Other Assets	Tools & Equipment				–	–	–	–	All	Replacement
Budget & Treasury Office		Tools & Equipment		Financial Viability		Other Assets	Tools & Equipment				8	–	–	–	All	New
Budget & Treasury Office		Tools & Equipment-replaceme		Financial Viability		Other Assets	Tools & Equipment				10	–	–	–	All	Replacement
Civil Services		Boorgate Ceres		Developing integrated and sustainable human settlement		Infrastructure	Water Reservoirs & Reticulation				2 298	–	–	–	5	New
Civil Services		Building- Belt Press		Developing integrated and sustainable human settlement		Other Assets	Other Land and Buildings					–	–	–	3	New
Civil Services		Bulk Water - Kleinberg Riv		Developing integrated and sustainable human settlement		Infrastructure	Water Reservoirs & Reticulation				5 900	3 509	4 000	–	11	New
Civil Services		Bulk Water - Kleinberg Rivier Own Contri		Developing integrated and sustainable human settlement		Infrastructure	Water Reservoirs & Reticulation				–	–	6 000	–	11	New
Civil Services		Bulk Water - Schalkenbosch		Developing integrated and sustainable human settlement		Infrastructure	Water Reservoirs & Reticulation				–	–	5 263	–	11	New
Civil Services		Bulk Water - Waterworks &		Developing integrated and sustainable human settlement		Infrastructure	Water Reservoirs & Reticulation				1 200	7 500	–	–	11	New
Civil Services		Bulk Water Provision Hamle		Developing integrated and sustainable human settlement		Infrastructure	Water Reservoirs & Reticulation				4 500	7 018	–	–	4	New
Civil Services		Bulk Water Provision- Wols		Developing integrated and sustainable human settlement		Infrastructure	Water Reservoirs & Reticulation				2 000	–	–	–	7	New
Civil Services		Bulk Water Provision Wolseley Own Contri		Developing integrated and sustainable human settlement		Infrastructure	Water Reservoirs & Reticulation				–	–	–	–	7	Refurbishment
Civil Services		Bus/taxi Terminals - Nduli		Developing integrated and sustainable human settlement		Infrastructure	Car Parks, Bus Terminals and Taxi Ranks				70	–	–	–	1	New
Civil Services		Compactor		Developing integrated and sustainable human settlement		Other Assets	Other motor vehicles					–	–	–	All	New
Civil Services		Equipment		Developing integrated and sustainable human settlement		Other Assets	Plant & equipment				440	–	–	–	All	Replacement
Civil Services		Equipment		Developing integrated and sustainable human settlement		Other Assets	Tools & Equipment				165	360	200	200	All	New
Civil Services		Equipment - Chipper		Developing integrated and sustainable human settlement		Other Assets	Tools & Equipment				300	–	–	–	All	New
Civil Services		Equipment - Igloos		Developing integrated and sustainable human settlement		Other Assets	Tools & Equipment				30	–	–	–	All	New
Civil Services		Extensions Sewer Network		Developing integrated and sustainable human settlement		Infrastructure	Sewerage Purification & Reticulation					1 150	–	–	4	New
Civil Services		General Plant & Equipment		Developing integrated and sustainable human settlement		Other Assets	Plant & equipment				40	–	–	–	7	Refurbishment
Civil Services		Hamlet Roads IHHSDG		Developing integrated and sustainable human settlement		Infrastructure	Roads, Pavements, Bridges & Storm Water				–	851	–	–	4	New
Civil Services		Hamlet Sewerworks IHHSDG		Developing integrated and sustainable human settlement		Infrastructure	Sewerage Purification & Reticulation				–	1 703	–	–	4	New
Civil Services		Hamlet Stormwater IHHSDG		Developing integrated and sustainable human settlement		Infrastructure	Roads, Pavements, Bridges & Storm Water				–	141	–	–	4	New
Civil Services		Hamlet Waterworks IHHSDG		Developing integrated and sustainable human settlement		Infrastructure	Water Reservoirs & Reticulation				–	1 703	–	–	4	New
Civil Services		Informal Settlements- Sewerage		Developing integrated and sustainable human settlement		Infrastructure	Sewerage Purification & Reticulation					–	–	–	All	New
Civil Services		Informal Settlements- Water		Developing integrated and sustainable human settlement		Infrastructure	Water Reservoirs & Reticulation					–	–	–	All	New
Civil Services		LDV 2 Ton Bakkie		Developing integrated and sustainable human settlement		Other Assets	Other motor vehicles				–	200	–	–	All	Replacement
Civil Services		Network - Storm Water Upgradin		Developing integrated and sustainable human settlement		Infrastructure	Roads, Pavements, Bridges & Storm Water				–	300	300	–	All	Replacement
Civil Services		Network - Street		Developing integrated and sustainable human settlement		Infrastructure	Roads, Pavements, Bridges & Storm Water				–	–	–	–	All	New
Civil Services		Network - Water Pipes & Va		Developing integrated and sustainable human settlement		Infrastructure	Water Reservoirs & Reticulation				300	300	300	–	All	Replacement
Civil Services		Network Stormwater Upgradi		Developing integrated and sustainable human settlement		Infrastructure	Roads, Pavements, Bridges & Storm Water				177	–	–	–	5	New
Civil Services		Network-street		Developing integrated and sustainable human settlement		Infrastructure	Roads, Pavements, Bridges & Storm Water				–	1 950	2 000	3 000	All	Refurbishment
Civil Services		Network-street Tulbagh		Developing integrated and sustainable human settlement		Infrastructure	Roads, Pavements, Bridges & Storm Water				1 542	–	–	–	11	Refurbishment
Civil Services		Netw-replace Haml Mainline (mi		Developing integrated and sustainable human settlement		Infrastructure	Water Reservoirs & Reticulation				–	–	590	–	4	Replacement
Civil Services		Odb Sewerworks		Developing integrated and sustainable human settlement		Infrastructure	Sewerage Purification & Reticulation				–	2 500	–	–	9	Refurbishment
Civil Services		Permit Conditions Landfill Sites		Developing integrated and sustainable human settlement		Infrastructure	Refuse sites				–	120			11	New
Civil Services		Public Transport Facilitie		Developing integrated and sustainable human settlement		Infrastructure	Car Parks, Bus Terminals and Taxi Ranks				877	–	–	–	All	New
Civil Services		Public Transport Facilitie		Developing integrated and sustainable human settlement		Infrastructure	Car Parks, Bus Terminals and Taxi Ranks				123	–	–	–	1	Refurbishment
Civil Services		Refuse Sites - Central Sit		Developing integrated and sustainable human settlement		Infrastructure	Refuse sites				230	–	–	–	7	New
Civil Services		Refuse Sites - Central Sit		Developing integrated and sustainable human settlement		Infrastructure	Refuse sites				–	–	–	–	4	Refurbishment
Civil Services		Replace Aerators - Tulbagh		Developing integrated and sustainable human settlement		Infrastructure	Sewerage Purification & Reticulation				–	–	–	–	11	Replacement
Civil Services		Sewer Network Replacement		Developing integrated and sustainable human settlement		Infrastructure	Sewerage Purification & Reticulation				300	100	200	300	All	Replacement
Civil Services		Sewer Pumps- Replacement P		Developing integrated and sustainable human settlement		Infrastructure	Sewerage Purification & Reticulation				98	250	–	300	11	Replacement
Civil Services		Sewer Pumpstation Upgrade		Developing integrated and sustainable human settlement		Infrastructure	Sewerage Purification & Reticulation				–	–	300	–	All	Replacement
Civil Services		Sewer Works- Tulbagh		Developing integrated and sustainable human settlement		Infrastructure	Sewerage Purification & Reticulation				1 035	1 500	–	–	11	Replacement
Civil Services		Sewerage Infrastructure- C		Developing integrated and sustainable human settlement		Infrastructure	Sewerage Purification & Reticulation				6 000	153	–	–	All	New
Civil Services		Speed Bumps (Witzenberg)		Developing integrated and sustainable human settlement		Infrastructure	Car Parks, Bus Terminals and Taxi Ranks				–	100			All	New
Civil Services		Stormwater Infrastructure-		Developing integrated and sustainable human settlement		Infrastructure	Roads, Pavements, Bridges & Storm Water				2 680	10	–	–	All	New
Civil Services		Stormwater Op-die-berg		Developing integrated and sustainable human settlement		Infrastructure	Roads, Pavements, Bridges & Storm Water				354	–	–	–	9	New
Civil Services		Stormwater Op-die-berg		Developing integrated and sustainable human settlement		Infrastructure	Roads, Pavements, Bridges & Storm Water				–	–	–	–	9	Refurbishment
Civil Services		Streets - Chris Hani Housi		Developing integrated and sustainable human settlement		Infrastructure	Roads, Pavements, Bridges & Storm Water				2 570	133	–	–	11	New
Civil Services		Telemetric Systems		Developing integrated and sustainable human settlement		Other Assets	Plant & equipment				300	300	–	–	5	New
Civil Services		Tools & Equipment		Developing integrated and sustainable human settlement		Other Assets	Plant & equipment				101	30	32	–	All	New
Civil Services		Tools & Equipment		Developing integrated and sustainable human settlement		Other Assets	Tools & Equipment				59	–	–	–	All	New
Civil Services		Tools & Equipment-replaceme		Developing integrated and sustainable human settlement		Other Assets	Plant & equipment				98	43	45	20	All	Replacement
Civil Services		Tools & Equipment-replaceme		Developing integrated and sustainable human settlement		Other Assets	Tools & Equipment				2	–	–	–	All	Replacement
Civil Services		Truck - 4 Ton Tipper		Developing integrated and sustainable human settlement		Other Assets	Other motor vehicles				–	350	–	–	All	Replacement
Civil Services		Truck - Reinigingsdienste		Developing integrated and sustainable human settlement		Other Assets	Other motor vehicles				–	–	–	850	All	New
Civil Services		Tulbagh Upgrade Sewer (mi		Developing integrated and sustainable human settlement		Infrastructure	Sewerage Purification & Reticulation				689	723	–	–	11	Refurbishment
Civil Services		Tulbagh Upper Reservoir		Developing integrated and sustainable human settlement		Infrastructure	Water Reservoirs & Reticulation				191	144	4 100	2 346	11	New
Civil Services		Upgrade Nduli Sewer Network		Developing integrated and sustainable human settlement		Infrastructure	Sewerage Purification & Reticulation				800	–	–	–	1	Replacement
Civil Services		Upgrade Voortrekkerstreet		Developing integrated and sustainable human settlement		Infrastructure	Roads, Pavements, Bridges & Storm Water				1 500	600	–	–	7	New

WC022 Witzenberg - Supporting Table SA36 Detailed capital budget

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2012/13 Medium Term Revenue & Expenditure Framework			Project information	
R thousand	4			2	6	3	3	5		Audited Outcome 2010/11	Current Year 2011/12 Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15	Ward location	New or renewal
Civil Services		Upgrading And Replacement		Developing integrated and sustainable human settlement		Infrastructure	Sewerage Purification & Reticulation				900	–	–	300	All	Replacement
Civil Services		Upgrading Of Ceres Wwtw		Developing integrated and sustainable human settlement		Infrastructure	Sewerage Purification & Reticulation				4 818	–	–	–	5	Replacement
Civil Services		Upgrading Of Wolseley Wwtw		Developing integrated and sustainable human settlement		Infrastructure	Sewerage Purification & Reticulation				1 491	4 000	–	–	7	Replacement
Civil Services		Upgrading Roads		Developing integrated and sustainable human settlement		Infrastructure	Roads, Pavements, Bridges & Storm Water				11 025	7 952	5 380	3 652	11	Refurbishment
Civil Services		Upgrading Roads-see Mig		Developing integrated and sustainable human settlement		Infrastructure	Roads, Pavements, Bridges & Storm Water					1 113	753	–	11	Replacement
Civil Services		Upgrading Tulbagh Wwtw		Developing integrated and sustainable human settlement		Infrastructure	Sewerage Purification & Reticulation					–	5 000	6 000	11	Replacement
Civil Services		Urban Renewal		Developing integrated and sustainable human settlement		Infrastructure	Roads, Pavements, Bridges & Storm Water				3 470	–	–	–	All	Replacement
Civil Services		Urban Renewal Project At Wolseley		Developing integrated and sustainable human settlement		Infrastructure	Roads, Pavements, Bridges & Storm Water				246	–	–	–	7	Replacement
Civil Services		Urban Renewal Project Wolsely		Developing integrated and sustainable human settlement		Infrastructure	Roads, Pavements, Bridges & Storm Water				1 754	–	–	–	7	Replacement
Civil Services		Vredebes Bulk Water Supply		Developing integrated and sustainable human settlement		Infrastructure	Water Reservoirs & Reticulation				–	–	2 692	4 500	5	Replacement
Civil Services		Water Infrastructure- Chri		Developing integrated and sustainable human settlement		Infrastructure	Water Reservoirs & Reticulation				6 000	260	–	–	11	New
Civil Services		Water Meter Replacement		Developing integrated and sustainable human settlement		Infrastructure	Water Reservoirs & Reticulation					–	–	–	All	Replacement
Civil Services		Wols New Reservoir Pine Va		Developing integrated and sustainable human settlement		Infrastructure	Water Reservoirs & Reticulation				213	2 845	–	–	7	New
Civil Services		Wols New Reservoir Pine Va- See Mig		Developing integrated and sustainable human settlement		Infrastructure	Water Reservoirs & Reticulation					398	–	–	7	New
Civil Services		Wols Pine Valley Busroute		Developing integrated and sustainable human settlement		Infrastructure	Car Parks, Bus Terminals and Taxi Ranks				–	4 145	–	–	7	New
Civil Services		Wols Pine Valley Busroute- See Mig		Developing integrated and sustainable human settlement		Infrastructure	Car Parks, Bus Terminals and Taxi Ranks					568	–	–	7	New
Community & Social Services		Building Refurbishment		Developing integrated and sustainable human settlement		Community Assets	Community Halls				–	–	100	–	All	Refurbishment
Community & Social Services		Buildings Upgrading- Tulba		Developing integrated and sustainable human settlement		Community Assets	Community Halls				–	60	–	–	11	Refurbishment
Community & Social Services		Computer Hardware & Software		Developing integrated and sustainable human settlement		Other Assets	Tools & Equipment				15	–	–	–	11	New
Community & Social Services		Computer Hardware & Software (		Developing integrated and sustainable human settlement		Other Assets	Plant & equipment				–	–	120	–	All	New
Community & Social Services		Economical Hub- Bella Vista		Developing integrated and sustainable human settlement		Other Assets	Other Land and Buildings					1 315	–	–	6	New
Community & Social Services		Equipment - Airconditioners		Developing integrated and sustainable human settlement		Other Assets	Plant & equipment				–	–	–	250	All	Replacement
Community & Social Services		Equipment- Tables (w-el)		Developing integrated and sustainable human settlement		Other Assets	Plant & equipment				–	–	40	–	All	Refurbishment
Community & Social Services		Equipment-youth Centre-Belguim		Developing integrated and sustainable human settlement		Other Assets	Tools & Equipment				30	–	–	–	11	New
Community & Social Services		Fencing Cemetries Extensio		Developing integrated and sustainable human settlement		Other Assets	Security Measures				75	50	–	70	All	New
Community & Social Services		Furniture		Developing integrated and sustainable human settlement		Other Assets	Plant & equipment				–	–	40	–	All	Replacement
Community & Social Services		Plant & Equipment- Belguim Grant		Developing integrated and sustainable human settlement		Other Assets	Plant & equipment				88	–	–	–	All	New
Community & Social Services		Regional Cemetery		Developing integrated and sustainable human settlement		Other Assets	Other Land and Buildings					–	–	–	All	New
Community & Social Services		Replace Vehicles		Developing integrated and sustainable human settlement		Other Assets	Other motor vehicles				–	–	–	250	All	Replacement
Community & Social Services		Tools & Equipment		Developing integrated and sustainable human settlement		Other Assets	Plant & equipment				52	62	73	–	All	New
Community & Social Services		Tools & Equipment		Developing integrated and sustainable human settlement		Other Assets	Tools & Equipment				20	–	–	–	11	New
Community & Social Services		Tools & Equipment		Developing integrated and sustainable human settlement		Other Assets	Tools & Equipment				31	–	–	–	All	New
Community & Social Services		Tools & Equipment-replaceme		Developing integrated and sustainable human settlement		Other Assets	Plant & equipment				3	3	3	–	All	Replacement
Community & Social Services		Tools & Equipment-replaceme		Developing integrated and sustainable human settlement		Other Assets	Tools & Equipment				3	–	–	–	All	Replacement
Community & Social Services		Upg Community Hall & Fences		Developing integrated and sustainable human settlement		Community Assets	Security Measures				512	–	–	–	6	Replacement
Corporate Services		Bill Boards		Good Governance		Other Assets	Tools & Equipment				78	–	–	–	All	New
Corporate Services		Building- Municipal Offices		Good Governance		Other Assets	Other Land and Buildings				6	70	–	2 516	5	Refurbishment
Corporate Services		Community Hall- Pine Valle		Good Governance		Community Assets	Community Halls				120	1 300	–	–	7	New
Corporate Services		Computer Hardw - Server (w-el)		Good Governance		Other Assets	Plant & equipment				–	76	–	–	All	Replacement
Corporate Services		Computer Hardware & Softwa		Good Governance		Other Assets	Tools & Equipment				15	–	–	–	6	New
Corporate Services		Computer Replacement Programme		Good Governance		Other Assets	Tools & Equipment				–	–	–	–	All	Replacement
Corporate Services		Dicta Phones Plus Speakers		Good Governance		Other Assets	Tools & Equipment				–	–	–	–	All	New
Corporate Services		Equipment		Good Governance		Other Assets	Plant & equipment				–	–	20	–	All	Replacement
Corporate Services		Laminating Machine		Good Governance		Other Assets	Tools & Equipment				–	–	–	–	All	New
Corporate Services		Laptops		Good Governance		Other Assets	Tools & Equipment				–	–	–	–	All	Replacement
Corporate Services		New Web Page Development		Good Governance		Other Assets	Tools & Equipment				15	–	–	–	All	New
Corporate Services		Office Deviders For Hr Staff		Good Governance		Other Assets	Tools & Equipment				–	–	–	–	All	New
Corporate Services		Office Furniture - New Per		Good Governance		Other Assets	Tools & Equipment				10	–	–	–	All	New
Corporate Services		Office Furniture - Witzenberg		Good Governance		Other Assets	Office equipment					200	200	200	All	Replacement
Corporate Services		Projector		Good Governance		Other Assets	Tools & Equipment				–	–	–	–	All	New
Corporate Services		Promotional Material & Equipment		Good Governance		Other Assets	Tools & Equipment				57	100	150	200	All	New
Corporate Services		Rekenaarhardeare- Vervangi		Good Governance		Other Assets	Office equipment				173	200	200	200	All	Replacement
Corporate Services		Scrhedder		Good Governance		Other Assets	Tools & Equipment				–	–	–	–	All	New
Corporate Services		Server Replacement Programme		Good Governance		Other Assets	Plant & equipment				–	–	60	–	All	Replacement
Corporate Services		Shredder		Good Governance		Other Assets	Tools & Equipment				–	–	–	–	All	New
Corporate Services		Time & Attendance		Good Governance		Other Assets	Tools & Equipment				220	–	–	–	All	New
Corporate Services		Toerusting - Lugversorger		Good Governance		Other Assets	Plant & equipment				–	43	–	–	All	Replacement
Corporate Services		Tools & Equipment		Good Governance		Other Assets	Tools & Equipment				78	–	–	–	6	New
Corporate Services		Tools & Equipment		Good Governance		Other Assets	Tools & Equipment				52	–	–	–	7	Replacement
Corporate Services		Upgrading Of Ms Office Sof		Good Governance		Other Assets	Plant & equipment				258	60	–	–	All	Replacement
Corporate Services		Upgrading Of Phone System		Good Governance		Other Assets	Plant & equipment				101	100	100	100	All	New
Corporate Services		Upgrading Of Server Room		Good Governance		Other Assets	Tools & Equipment				41	–	–	–	All	Refurbishment
Corporate Services		Upgrading Of Telephone System		Good Governance		Other Assets	Tools & Equipment				–	–	–	–	All	Replacement
Corporate Services		Uprgading- Polo Cross Hall		Good Governance		Community Assets	Community Halls					789	–	–	1	New
Corporate Services		Vehicle		Good Governance		Other Assets	Other motor vehicles				–	–	–	150	All	New
Corporate Services		Windows Server 2008		Good Governance		Other Assets	Tools & Equipment				–	–	–	–	All	Replacement
Corporate Services		Wireless Access Points		Good Governance		Other Assets	Plant & equipment				5	9	–	–	All	New
Corporate Services		Wireless Equipment		Good Governance		Other Assets	Plant & equipment				15	10	–	–	All	New
Electro Technical Services		11 Kv Supply- Industrial Area Wolseley		Developing integrated and sustainable human settlement		Infrastructure	Electricity Reticulation					400	400	400	7	New
Electro Technical Services		Bulk Supply Housing - Vredebes		Developing integrated and sustainable human settlement		Infrastructure	Electricity Reticulation					–	–	–	5	New

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Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2012/13 Medium Term Revenue & Expenditure Framework			Project information	
R thousand	4			2	6	3	3	5		Audited Outcome 2010/11	Current Year 2011/12 Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15	Ward location	New or renewal
Electro Technical Services		Chris Hani Street Lights- See Mig		Developing integrated and sustainable human settlement		Infrastructure	Street Lighting					122	–	–	11	Replacement
Electro Technical Services		Connections - Chris Hani		Developing integrated and sustainable human settlement		Infrastructure	Housing				1 402	–	–	–	11	New
Electro Technical Services		Connections - Chris Hani 3		Developing integrated and sustainable human settlement		Infrastructure	Electricity Reticulation				86	–	–	–	11	New
Electro Technical Services		Connections - N'duli 161		Developing integrated and sustainable human settlement		Infrastructure	Electricity Reticulation				15	–	–	–	1	New
Electro Technical Services		Festive Ligths		Developing integrated and sustainable human settlement		Other Assets	Plant & equipment					–	–	–	All	New
Electro Technical Services		Network- Chris Hani		Developing integrated and sustainable human settlement		Infrastructure	Housing				1 575	2 200	–	–	11	New
Electro Technical Services		New Truck- Pool Vehicle		Developing integrated and sustainable human settlement		Other Assets	Plant & equipment					–	–	–	All	New
Electro Technical Services		Overhead Crane		Developing integrated and sustainable human settlement		Other Assets	Plant & equipment					–	–	–	All	New
Electro Technical Services		Remote Metering		Developing integrated and sustainable human settlement		Infrastructure	Electricity Reticulation				200	200	200	–	All	New
Electro Technical Services		Sewerage Main Feeder		Developing integrated and sustainable human settlement		Infrastructure	Electricity Reticulation				341	–	–	–	11	New
Electro Technical Services		Streetlighting - Chris Hani 600		Developing integrated and sustainable human settlement		Infrastructure	Street Lighting				–	870	–	–	11	New
Electro Technical Services		Tools & Equipment		Developing integrated and sustainable human settlement		Other Assets	Plant & equipment				90	76	91	–	All	New
Electro Technical Services		Tools & Equipment-replaceme		Developing integrated and sustainable human settlement		Other Assets	Plant & equipment				97	69	72	–	All	Replacement
Housing		Installation Of Security Equip		Developing integrated and sustainable human settlement		Other Assets	Plant & equipment				–	–	70	–	All	New
Housing		Tools & Equipment		Developing integrated and sustainable human settlement		Other Assets	Tools & Equipment				5	–	–	–	All	New
Housing		Tools & Equipment For Housing O		Developing integrated and sustainable human settlement		Other Assets	Tools & Equipment				–	–	–	–	All	New
Housing		Tools & Equipment-replaceme		Developing integrated and sustainable human settlement		Other Assets	Tools & Equipment				1	–	–	–	All	Replacement
Planning		Equipment Pmu		Developing integrated and sustainable human settlement		Other Assets	Tools & Equipment				14	–	–	–	All	New
Planning		Pmu Equipment		Developing integrated and sustainable human settlement		Other Assets	Plant & equipment					–	–	–	All	New
Planning		Project Management Equipment		Developing integrated and sustainable human settlement		Other Assets	Office equipment					450	–	–	All	New
Planning		Tools & Equipment		Developing integrated and sustainable human settlement		Other Assets	Tools & Equipment				2	–	–	–	All	New
Planning		Tools & Equipment-replaceme		Developing integrated and sustainable human settlement		Other Assets	Tools & Equipment				0	–	–	–	All	Replacement
Public Safety		Armorment (fire Arms)		Developing integrated and sustainable human settlement		Other Assets	Plant & equipment					–	–	–	All	Replacement
Public Safety		Building Refurbishment		Developing integrated and sustainable human settlement		Other Assets	Other Land and Buildings				–	–	50	–	All	Refurbishment
Public Safety		Building Upgrade		Developing integrated and sustainable human settlement		Other Assets	Other Land and Buildings				22	–	–	–	11	Replacement
Public Safety		Fire Fighting Equipment		Developing integrated and sustainable human settlement		Other Assets	Plant & equipment				–	100	–	70	All	New
Public Safety		Fire Hydriants		Developing integrated and sustainable human settlement		Other Assets	Tools & Equipment					–	–	–	All	New
Public Safety		New Fire Fighting Vehicle		Developing integrated and sustainable human settlement		Other Assets	Other Vehicles				664	664	–	–	All	Replacement
Public Safety		Tools & Equipment		Developing integrated and sustainable human settlement		Other Assets	Tools & Equipment				36	–	–	–	All	New
Public Safety		Tools & Equipment- New		Developing integrated and sustainable human settlement		Other Assets	Tools & Equipment				10	–	–	–	All	New
Public Safety		Tools & Equipment- Replacem		Developing integrated and sustainable human settlement		Other Assets	Tools & Equipment				–	–	–	–	All	Replacement
Public Safety		Tools & Equipment-replaceme		Developing integrated and sustainable human settlement		Other Assets	Tools & Equipment				–	–	–	–	All	Replacement
Public Safety		Traffic Calming		Developing integrated and sustainable human settlement		Other Assets	Plant & equipment					–	–	–	All	New
Public Safety		Traffic Lights		Developing integrated and sustainable human settlement		Other Assets	Plant & equipment				–	–	300	–	All	Replacement
Public Safety		Traffic Lights (w-el)		Developing integrated and sustainable human settlement		Other Assets	Plant & equipment				340	–	–	–	All	Replacement
Public Safety		Upgrading Building- Ceres,		Developing integrated and sustainable human settlement		Other Assets	Other Land and Buildings				300	150	–	–	5	Refurbishment
Public Safety		Vehicle Refurbishment		Developing integrated and sustainable human settlement		Other Assets	Other motor vehicles				332	280	–	300	All	New
Public Safety		Vehicle- Replacement Progr		Developing integrated and sustainable human settlement		Other Assets	Other motor vehicles				250	–	260	–	All	Replacement
Sport & Recreation		Buitemuurse Aktiwiteit - Park		Developing integrated and sustainable human settlement		Other Assets	Other motor vehicles				–	–	–	–	All	Replacement
Sport & Recreation		Equipment - Irrigation Parks		Developing integrated and sustainable human settlement		Other Assets	Plant & equipment				–	–	–	–	11	Refurbishment
Sport & Recreation		Equipment/ Appliances Upgr		Developing integrated and sustainable human settlement		Other Assets	Plant & equipment				140	150	–	–	3	Replacement
Sport & Recreation		Equipment/ Appliances Upgr		Developing integrated and sustainable human settlement		Other Assets	Plant & equipment				45	45	–	–	All	Replacement
Sport & Recreation		Equipment/ Appliances Upgr		Developing integrated and sustainable human settlement		Other Assets	Tools & Equipment				17	–	–	–	11	Replacement
Sport & Recreation		Grasscutting Equipment		Developing integrated and sustainable human settlement		Other Assets	Plant & equipment				150	–	–	–	All	New
Sport & Recreation		Hamlet Poverty Project		Developing integrated and sustainable human settlement		Community Assets	Recreational Facilities				–	700	1 000	–	4	New
Sport & Recreation		High Lift Work Platform		Developing integrated and sustainable human settlement		Other Assets	Other motor vehicles				–	350	–	–	All	New
Sport & Recreation		Replace Cutting Tractors		Developing integrated and sustainable human settlement		Other Assets	Plant & equipment				–	350	–	350	All	New
Sport & Recreation		Replace Irrigation Systems On Parks		Developing integrated and sustainable human settlement		Other Assets	Plant & equipment				–	–	–	–	All	Replacement
Sport & Recreation		Replace Irrigation Systems Par		Developing integrated and sustainable human settlement		Other Assets	Plant & equipment				–	–	20	50	All	Replacement
Sport & Recreation		Replace Trailers		Developing integrated and sustainable human settlement		Other Assets	Other motor vehicles				–	–	100	100	All	Replacement
Sport & Recreation		Replace Trailers		Developing integrated and sustainable human settlement		Other Assets	Plant & equipment				64	–	–	–	All	Replacement
Sport & Recreation		Rerplace 4 Ldv's For Parks		Developing integrated and sustainable human settlement		Other Assets	Other motor vehicles				–	–	200	200	All	Replacement
Sport & Recreation		Sport Facilities- Bella Vista Dreinering		Developing integrated and sustainable human settlement		Community Assets	Recreational Facilities					109			6	New
Sport & Recreation		Swimming Pool - Nduli		Developing integrated and sustainable human settlement		Community Assets	Recreational Facilities				4 121	–	–	–	1	New
Sport & Recreation		Swimming Pool - Re-fibreglass		Developing integrated and sustainable human settlement		Community Assets	Recreational Facilities					100	100	100	All	Replacement
Sport & Recreation		Swimming Pool Hamlet		Developing integrated and sustainable human settlement		Community Assets	Recreational Facilities					5 263			4	New
Sport & Recreation		Toerusting- 6 X Bossiekappers		Developing integrated and sustainable human settlement		Other Assets	Plant & equipment				–	–	100	100	All	Replacement
Sport & Recreation		Tools & Equipment		Developing integrated and sustainable human settlement		Other Assets	Plant & equipment				2	20	20	–	4	New
Sport & Recreation		Tools & Equipment		Developing integrated and sustainable human settlement		Other Assets	Plant & equipment				32	32	33	–	All	New
Sport & Recreation		Tools & Equipment		Developing integrated and sustainable human settlement		Other Assets	Tools & Equipment				–	–	–	–	3	New
Sport & Recreation		Tools & Equipment		Developing integrated and sustainable human settlement		Other Assets	Tools & Equipment				–	–	–	–	All	New
Sport & Recreation		Tools & Equipment-replaceme		Developing integrated and sustainable human settlement		Other Assets	Plant & equipment				7	8	8	–	All	Replacement
Sport & Recreation		Tools & Equipment-replaceme		Developing integrated and sustainable human settlement		Other Assets	Tools & Equipment				8	–	–	–	3	Replacement
Sport & Recreation		Tools & Equipment-replaceme		Developing integrated and sustainable human settlement		Other Assets	Tools & Equipment				–	–	–	–	All	Replacement
Sport & Recreation		Upgrading of Buildings		Developing integrated and sustainable human settlement		Other Assets	Other Land and Buildings				16	–	–	–	3	Replacement
Sport & Recreation		Upgrading Of Buildings- Sw		Developing integrated and sustainable human settlement		Community Assets	Recreational Facilities				68	–	–	–	All	Refurbishment
Sport & Recreation		Upgrading Of Sport Facilit		Developing integrated and sustainable human settlement		Community Assets	Sportsfields				–	–	–	–	All	Refurbishment
Sport & Recreation		Upgrading Play Grounds & Parks- Bella Vista		Developing integrated and sustainable human settlement		Community Assets	Recreational Facilities					–	3 000	–	6	New
Sport & Recreation		Upgrading Play Grounds & Parks- Nduli		Developing integrated and sustainable human settlement		Community Assets	Recreational Facilities					789	–	–	All	New
Sport & Recreation		Upgrading Sport Facilities- Ceres		Developing integrated and sustainable human settlement		Community Assets	Recreational Facilities					856	417	514	3	New

WC022 Witzenberg - Supporting Table SA36 Detailed capital budget

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2012/13 Medium Term Revenue & Expenditure Framework			Project information	
R thousand	4			2	6	3	3	5		Audited Outcome 2010/11	Current Year 2011/12 Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15	Ward location	New or renewal
Sport & Recreation		Upgrading Sport Facilities- Tulbagh		Developing integrated and sustainable human settlement		Community Assets	Recreational Facilities					263	417	514	11	New
Sport & Recreation		Upgrading Sport Facilities-Bella Vista		Developing integrated and sustainable human settlement		Community Assets	Recreational Facilities					–	417	514	6	New
Sport & Recreation		Upgrading Sport Facilities-Hamlet		Developing integrated and sustainable human settlement		Community Assets	Recreational Facilities					–	417	514	4	New
Sport & Recreation		Upgrading Sport Facilities-Nduli		Developing integrated and sustainable human settlement		Community Assets	Recreational Facilities					196	417	514	12	New
Sport & Recreation		Upgrading Sport Facilities-ODB		Developing integrated and sustainable human settlement		Community Assets	Recreational Facilities					220		514	9	New
Sport & Recreation		Upgrading Sport Facilities-Wolseley		Developing integrated and sustainable human settlement		Community Assets	Recreational Facilities					439	417	514	7	New
Sport & Recreation		Vehicle Replace 1 Ldv For		Developing integrated and sustainable human settlement		Other Assets	Other motor vehicles				142	–	–	–	7	Replacement
Parent Capital expenditure	1									–	79 616	74 943	46 785	30 675	1	
Entities: *List all capital projects grouped by Entity*																
Entity A																
Water project A																
Entity B																
Electricity project B																
Entity Capital expenditure										–	–	–	–	–		
Total Capital expenditure										–	79 616	74 943	46 785	30 675		

WC022 Witzenberg - Supporting Table SA37 Projects delayed from previous financial year/s

Municipal Vote/Capital project R thousand	Ref. 1,2	Project name	Project number	Asset Class 3	Asset Sub-Class 3	GPS co-ordinates 4	Previous target year to complete Year	Current Year 2011/12 Original Budget	Current Year 2011/12 Full Year Forecast	2012/13 Medium Term Revenue & Expenditure Framework Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Parent municipality: *List all capital projects grouped by Municipal Vote*				*Examples*	*Examples*							
Corporate Services Community Services		Pine Valley Community Hall Fire Fighting Vehicle		Community Other Assets	Community halls Vehicles			2 000		1 000 664	–	–
Entities: *List all capital projects grouped by Municipal Entity*												
Entity Name *Project name*												

NATIONAL TREASURY

MFMA Circular No. 58

Municipal Finance Management Act No. 56 of 2003

Municipal Budget Circular for the 2012/13 MTREF

This circular provides further guidance to municipalities and municipal entities for the preparation of their 2012/13 Budgets and Medium Term Revenue and Expenditure Framework (MTREF). It must be read together with MFMA Circulars No. 48, 51, 54 and 55.

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1 Key focus areas for the 2012/13 budget process

The *Medium Term Budget Policy Statement 2011* notes that in recent months the domestic economy has lost momentum as a result of the disruption to world economic activity following the Japanese tsunami, domestic strike activity and moderating household consumption. In the first quarter of 2011, the economy grew at 4.5 per cent on an annual basis. In the second quarter, growth slowed to 1.3 per cent. Real GDP is now expected to grow by 3.1 per cent in 2011 – a downward revision from the 3.4 per cent forecast in the 2011 Budget.

The labour market remains sluggish. Formal sector non-agricultural employment is just 2.6 per cent higher than its low in March 2010. Unemployment increased from 21.8 per cent in the fourth quarter of 2008 to 25.7 per cent in the second quarter of 2011. This figure does not capture the estimated 2.2 million workers who have stopped looking for work.

Consequently, municipal revenues and cash flows are expected to remain under pressure in 2012/13 and ***so municipalities must adopt a conservative approach when projecting their expected revenues and cash receipts***. Municipalities should also pay particular attention to managing all revenue and cash streams effectively, and carefully evaluate all spending decisions.

1.1 Taking the 2011 Local Government and Expenditure Review forward

In September 2011, National Treasury published the *Local Government Budgets and Expenditure Review*. Municipalities are urged to work through the document as part of their preparations for drafting their 2012/13 budgets and MTREF.

The *Review* highlights the following areas as requiring particular attention:

i. ***Revenue management*** – To ensure the collection of revenues, municipalities need to ensure that billing systems are accurate, send out accounts to residents and follow up to collect revenues owed.

ii. ***Collecting outstanding debts*** – This requires political commitment, sufficient administrative capacity, and pricing policies that ensure that bills are accurate and affordable, especially for poor households.

iii. ***Pricing services correctly*** – The full cost of services should be reflected in the price charged to residents who can afford to pay. Many municipalities offer overly generous subsidies and rebates that result in services being run at a loss, resulting in funds being diverted away from other priorities.

iv. ***Underspending on repairs and maintenance*** – Often seen as a way to reduce spending in the short term, underspending on maintenance can shorten the life of assets, increase long-term maintenance and refurbishment costs, and cause a deterioration in the reliability of services.

v. ***Spending on non-priorities*** – Many municipalities spend significant amounts on non-priority items including unnecessary travel, luxury furnishings, excessive catering and unwarranted public relations projects. Consultants are often used to perform routine tasks.

The *2011 Local Government Budgets and Expenditure Review* can be accessed at:
http://www.treasury.gov.za/publications/igfr/2011/lg/default.aspx

1.2 National priority – creating decent employment opportunities

Creating decent employment opportunities remains a national priority. In drafting their 2012/13 budgets and MTREFs all municipalities are urged to continue to explore opportunities to mainstream labour intensive approaches to delivering services, and more particularly to participate fully in the Extended Public Works Programme.

Municipalities should not just employ more people without any reference to the level of staffing required to deliver effective services, and what is financially sustainable over the medium term. The municipality ought to focus on maximizing its contribution to job creation by:

- Ensuring that service delivery and capital projects use labour intensive methods wherever appropriate;
- Ensuring that service providers use labour intensive approaches;
- Supporting labour intensive LED projects;
- Participating fully in the Extended Public Works Programme; and
- Implementing interns programmes to provide young people with on-the-job training.

Municipalities also play a critical role in creating an enabling environment for investments and other activities that lead to job creation. In this regard, it is important for municipalities to pay particular attention to ensuring the timely delivery of their capital programmes (eliminate under-spending of capital budgets) and to review all by-laws and development approval processes with a view to removing any regulatory bottlenecks to investment and job creation.

1.3 Additional allocations to local government

The *Medium Term Budget Policy Statement 2011* indicates that over the 2012 MTEF, transfers to local government grow by R5 billion, of which R2.2 billion is added to the local government equitable share and R2.8 billion to local government conditional grants. However, most of these funds are only going to be made available in 2013/14 and 2014/15.

This means the baseline allocations to local government for 2012/13 are set to remain largely unchanged from the amounts published in the 2011 Division of Revenue Act, namely R37.5 billion to the local government equitable share, and R30.4 billion for conditional grants. The final allocations to municipalities will be announced in the 2012 Division of Revenue Bill, which will be tabled by the Minister of Finance on 22 February 2012. This information will be communicated to municipalities in a further Budget Circular for the 2012/13 financial year to be issued shortly after the tabling of the National Budget.

Municipalities MUST ensure that their tabled budgets reflect the equitable share and conditional grant allocations set out in the 2012 Division of Revenue Bill.

At this stage, municipalities are advised to use the indicative numbers for 2012/13 in the 2011 Division of Revenue Act to compile their budgets. This document is available on National Treasury's website at:

http://www.treasury.gov.za/legislation/acts/2011/Default.aspx

1.4 Procurement reforms and fighting corruption

Municipalities are again advised that the supply chain compliance unit will also be focusing on municipal procurement processes. Consequently, municipalities can expect requests for information relating to their tender committees and processes, as well as specific tenders and contracts.

Municipalities are also encouraged to introduce greater transparency to municipal supply chain processes by publishing SCM process outcomes on their websites.

2 Headline inflation forecasts

Municipalities must take the following inflation forecasts into consideration when preparing their 2012/13 budgets and MTREF. Again this information will be updated in a further Budget Circular to be issued after the tabling of the National Budget on 22 February 2012.

Fiscal year	2010	2011	2012	2013	2014
	Actual	Estimate	Forecast		
Headline CPI Inflation	3.3%	5.0%	5.4%	5.6%	5.4%

Source: Medium Term Budget Policy Statement 2011

The period of the *Salary and Wage Collective Agreement 2009/10 to 2011/2012* has come to an end. In the absence of other information from the South African Local Government Bargaining Council, municipalities are advised to budget for a 5 per cent cost-of-living increase adjustment, to be implemented with effect from July 2012 (in-line with the increase proposed in the 2011 MTBPS).

3 Revising rates, tariffs and other charges

When municipalities and municipal entities revise their rates, tariffs and other charges for their 2012/13 budgets and MTREF, they need to take into account the labour (i.e. the wage agreements with unions) and other input costs of services provided by the municipality or entity, the need to ensure financial sustainability, local economic conditions and the affordability of services, taking into consideration the municipality's indigent policy. Municipalities should also take into account relevant policy developments in the different sectors (such as the *inclining block tariff* (IBT) proposals from the National Energy Regulator of South Africa (NERSA)).

Municipalities should continue to explore appropriate ways of structuring the tariffs for utility services to encourage more efficient use of these services and to generate the resources required to fund the maintenance, renewal and expansion of the infrastructure required to provide the services.

National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges at levels that reflect an appropriate balance between the interests of poor households, other customers and ensuring the financial sustainability of the municipality. For this reason municipalities must justify in their budget documentation all increases in excess of the 6 per cent upper boundary of the South African Reserve Bank's inflation target.

3.1 NERSA's process to approve electricity tariffs

It is very important that municipalities and NERSA work together to ensure that the process of approving electricity tariffs does not disrupt the process of compiling municipal budgets or compromise community consultations on the budget. It is for this reason that section 43 of the MFMA reads:

> 43 (1) If a national or provincial organ of state in terms of a power contained in any national or provincial legislations determines the upper limits of a municipal tax or tariff, such determination takes effect for municipalities on a date specified in the determination.
>
> (2) Unless the Minister on good grounds approves otherwise, the date specified in a determination referred to in subsection (1) may-
> (a) if the determination was promulgated on or before 15 March in a year, not be a date before 1 July in that year; or
> (b) if the determination was promulgated after 15 March in a year, not be a date before 1 July in the next year.

So if NERSA only concludes its final determination for a municipality after 15 March, the municipality is not obliged to implement NERSA's final determination with effect from 1 July of the current year, unless the Minister on good grounds approves otherwise.

It is proposed that the only 'good grounds' that the Minister of Finance will consider for requiring compliance with a final determination issued by NERSA after 15 March, is where NERSA can show that a municipality has failed to:

i. submit its D-form either before 30 October 2011 or the extended deadline of 30 January 2012; or

ii. submit a tariff application to NERSA containing all the required information by 30 January 2012; or

iii. fails to participate in public hearings called and held by NERSA a reasonable period before 15 March 2012.

Where a municipality can demonstrate that it has complied with (i), (ii) and (iii) above, and that NERSA did not issue a final determination before 15 March 2012, the municipality will be entitled to use the tariffs for 2012/13 set out in its original application to NERSA that must have been submitted by 30 January 2012.

3.2 Eskom bulk tariff increases

The Eskom price of bulk electricity supplied to municipalities will increase by 27.06 per cent on 1 July 2012. Municipalities are urged to examine the cost structure of their electricity undertakings and apply to NERSA for electricity tariff increases that are cost reflective and ensure continued financial sustainability.

National Treasury supports the use of the following formula, proposed by NERSA, for calculating municipal electricity tariff increases:

$$MTI = (B \times BPI) + (S \times SI) + (R \times RI) + (C \times CCI) + (OC \times OCI)$$

Where:

MTI = % Municipal Tariff Increase
B = % Bulk purchases
BPI = % Bulk purchase increase
S = % Salaries
SI = % Salaries increase
R = % Repairs
RI = % Repairs increase
C = % Capital charges
CCI = % Capital charges increase
OC = % Other costs
OCI = % Other costs increase

All cost shares and increases must relate to the electricity function of the municipality

NERSA will be issuing its guideline tariff increase for municipalities in due course. The relevant guideline, as well as NERSA's Reasons for Decision document will be available at: www.nersa.org.za.

Where a municipality's evaluation of its cost structure results in a lower or higher tariff increase to that proposed by NERSA, the municipality must structure its tariffs accordingly and ensure it provides the necessary motivation and information in its tariff application to NERSA.

3.3 Introduction of inclining block tariffs (IBT) for electricity

National Treasury supports the introduction of IBTs for electricity by municipalities. However, it is important that each municipality designs an IBT structure that is appropriate to its specific circumstances, and ensures an appropriate balance between 'low income customers' and other domestic, commercial and business customers, and the financial interests of the municipality.

It is also important that any proposed IBT is fully aligned to the principles set out in the *South African Electricity Supply Industry: Electricity Pricing Policy* (EPP) issued on 19 December 2008, including the principle that electricity tariffs must be cost reflective and that any cross-subsidies should be explicit.

A municipality must structure its IBT tariff according to its own specific circumstances and ensure that it provides the necessary motivation and information to NERSA in its tariff application. In this regard, municipalities need to pay careful attention to determining an appropriate level of cross-subsidisation between the different IBT blocks given the profile of its customer base, and also have regard to the price elasticity of the demand for electricity.

3.4 Water and sanitation tariffs must be cost-reflective

Municipalities are reminded to review the level and structure of their water and sanitation tariffs carefully with a view to ensuring:

- Water and sanitation tariffs are on aggregate fully cost-reflective – including the bulk cost of water, the cost of maintenance and renewal of purification/treatment plants and network infrastructure, and the cost of new infrastructure;
- Water and sanitation tariffs are structured to protect basic levels of service; and

- Water and sanitation tariffs are designed to encourage efficient and sustainable consumption (e.g. through inclining block tariffs).

If a municipality's water and sanitation tariffs are not fully cost reflective, the municipality should develop a pricing strategy to phase-in the necessary tariff increases in a manner that spreads the impact on consumers over a period of time. However, all municipalities should aim to have appropriately structured, cost-reflective water and sanitation tariffs in place by 2014.

To mitigate the need for water tariff increases, municipalities must put in place an appropriate strategy to limit water losses to acceptable levels. In this regard municipalities must ensure that water used by its own operations is charged to the relevant service, and not simply attributed to water 'losses'.

Municipalities not already calculating and reporting non-revenue water in accordance with the International Water Association (IWA) standards as required by the Department of Water Affairs (DWA) should contact DWA for assistance in this regard. National Treasury is working with DWA to publish this information in the near future.

3.5 Solid waste tariffs

Many municipalities' solid waste tariffs do not cover the cost of providing the different components of the service. Where this is the case, municipalities should aim to have appropriately structured, cost-reflective solid waste tariffs in place by 2015.

The tariffs for solid waste management must take into account that it is good practice to maintain a cash-backed reserve to cover the future costs of rehabilitating landfill sites.

Municipalities are encouraged to explore alternative methodologies to manage solid waste, including recycling and incineration in plants that use the heat energy to generate electricity.

4 Funding choices and management issues

Given on-going economic pressures referred to in section 1 above, the revenue side of municipal budgets will continue to be constrained, so municipalities will again need to make some very tough decisions on the expenditure side this year. Priority ought to be given to:

- Ensuring that drinking water and waste water management meets the required quality standards at all times;
- Protecting the poor;
- Supporting meaningful local economic development (LED) initiatives that foster micro and small business opportunities and job creation;
- Securing the health of their asset base (especially the municipality's revenue generating assets) by increasing spending on repairs and maintenance; and
- Expediting spending on capital projects that are funded by conditional grants.

Municipalities must also ensure that their capital budgets reflect consistent efforts to address the backlogs in basic services and the renewal of the infrastructure of existing network services.

4.1 Eliminating non-priority spending

Municipalities must pay special attention to controlling unnecessary spending on nice-to-have items and non-essential activities. The following examples of non-priority expenditure have been observed, and need to be eliminated:

i. excessive sponsorship of music festivals, beauty pageants and sporting events, including the purchase of tickets to events for councillors and/or officials;
ii. public relations projects and activities that are not centred on actual service delivery or are not a municipal function (e.g. celebrations; gala dinners; commemorations, advertising and voter education);
iii. LED projects that serve the narrow interests of only a small number of beneficiaries or fall within the mandates of other government departments such as the Department of Agriculture;
iv. excessive catering for meetings and other events, including the use of public funds to buy alcoholic beverages;
v. arranging workshops and events at expensive private venues, especially ones outside the municipality (as opposed to using the municipality's own venues);
vi. excessive printing costs (instead of maximising the use of the municipality's website, including providing facilities for the public to access the website);
vii. excessive luxurious office accommodation and office furnishings;
viii. foreign travel by mayors, councillors and officials, particularly 'study tours';
ix. excessive councilor and staff perks such as luxurious mayoral cars and houses, notebooks, IPADS and cell-phone allowances; travel and subsistence allowances (certain of these may be irregular spending – see paragraph 4.8 below);
x. excessive staff in the office of the mayor – particularly the appointment of political 'advisors' and 'spokespersons';
xi. all donations to individuals that are not made in terms of the municipality's indigent policy or a bursary scheme; for instance donations to cover funeral costs (other than pauper burials which is a district municipality function);
xii. costs associated with long-standing staff suspensions and the legal costs associated with not following due process when suspending or dismissing staff, as well as payment of severance packages or 'golden handshakes'; and
xiii. the use of consultants to perform routine management tasks, and the payment of excessive fees to consultants.

4.2 Three-year and one-year capital appropriations

To facilitate the delivery of large capital projects, section 16(3) of the MFMA allows a municipality to appropriate capital budgets for three financial years, i.e. the budget year and the following two years of the MTREF. The aim of such multi-year capital appropriations is to:

- lock the council into funding the full cost of large capital projects so as to ensure their successful completion;
- facilitate the forward planning of capital projects and programmes;
- enable the municipality to initiate procurement processes for capital projects in the two outer years of the MTREF (given the funds are appropriated) and so ensure improved levels of capital spending; and
- enable funding for such capital projects to be brought forward in terms of section 31 of the MFMA to facilitate more rapid project implementation (although National Treasury would prefer municipalities to the use of the mid-year adjustments budget for this purpose).

Municipalities are encouraged to use these provisions of the MFMA appropriately, and ensure they divide their capital budgets correctly between the 'multi-year expenditure' and the 'single-year expenditure' sections on Tables A5A and A5.

To facilitate the tracking of past multi-year appropriations in the preparation of the new budget the 'multi-year expenditure' section of Table A5A has been changed to look as follows:

Vote Description	2012/13 Medium Term Revenue & Expenditure Framework			Multi-year appropriation for 2012/13 in the 2011/12 Annual Budget				New multi-year appropriations (funds for new and existing projects)		
R thousand	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15	Appropriation for 2012/13	Adjustments in 2011/12	Downward adjustements for 2012/13	Appropriation carried forwar	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Capital expenditure - Municipal Vote										
Multi-year expenditure appropriation										
Vote 1 - [NAME OF VOTE 1]	110	160	140	100	(10)	(20)		40	40	
1.1 - [Name of sub-vote]	110	160	140	100	(10)	(20)	70	40	40	140
	6			1	2	3	4	5		7

Where:

1 – the original 2012/13 appropriation in the 2011/12 Annual Budget
2 – any upward or downward adjustments made to the original 2012/13 appropriation during the 2011/12 financial year (for instance in an adjustments budget)
3 – any downward adjustments to the original 2012/13 appropriation to be effected in the 2012/13 Annual Budget
4 – the balance of the original 2012/13 appropriation to be carried forward into the 2012/13 Annual Budget
5 – any new funds to be allocated to the original 2012/13 appropriation in the 2012/13 Annual Budget
6 – the new amount to be appropriated for 2012/13 (consists of 4+5)
7 – the new multi-year budget for the outer year of the MTREF

(not shown above is the reconciliation of the original 2013/14 multi-year appropriation in the 2011/12 Annual Budget, which follows exactly the same methodology shown above).

Any downward adjustments under '3' must be fully explained in the municipality's budget document, as such a change suggests the municipality may have decided to discontinue the implementation of a large capital project or programme before completion. This is would need to be properly justified to the community.

4.3 Revaluations in terms of GRAP 17 and the treatment of depreciation in the budget

In the process of implementing GRAP 17, many municipalities have chosen the 'revaluation model' and revalued their existing assets[1]. The impact of this choice has been to massively increase the 'value' of assets reflected on municipalities' Statement of Financial Positions, leading to higher levels of depreciation being reflected on their Budgeted Statements of Financial Performance. This in turn has resulted in municipalities reflecting 'non-cash deficits' on their Budgeted Statements of Financial Performance and consequently motivating for higher tariff increases in order to cover the cost of the higher depreciation.

It has also created a situation where different municipalities are managing their finances based on very different accounting models related to asset valuation. This is resulting in differences in the determination of depreciation costs for use in tariff setting, and is likely to result in widely

[1] Note that many municipalities, when implementing GRAP 17, had to bring a large number of assets onto their books for the first time because of incomplete asset registers. The result would also have been to significantly increase the value of their assets. However, the 'cost model' depreciation associated with these assets must be reflected on a municipality's Budgeted Statement of Financial Performance and be taken into account in setting tariffs.

divergent tariffs being set for the same service across municipalities. This is inequitable from a consumer perspective. It also makes comparative assessments of the financial sustainability of municipalities very difficult.

National Treasury has examined the budgeting and accounting treatment of depreciation resulting from the application of the 'revaluation model' to assets in terms of GRAP 17 and determined that including such depreciation in the Budgeted Statements of Financial Performance artificially inflates the municipalities' actual depreciation and distorts the surplus/(deficit) calculation. *Therefore municipalities that have chosen the 'revaluation model' when implementing GRAP 17 must exclude the depreciation resulting from the revaluation of PPE when preparing their budgets and calculating any tariff increases.*

To facilitate this, the depreciation detail required on Supporting Table SA1 has been modified as follows:

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Depreciation & asset impairment											
Depreciation of Property, Plant & Equipment											
Lease amortisation											
Capital asset impairment											
Depreciation resulting from revaluation of PPE	10										
Total Depreciation & asset impairment	1	–	–	–	–	–	–	–	–	–	–

The 'Total Depreciation and asset impairment' taken through to Table A4 excludes 'Depreciation resulting from the revaluation of PPE' associated with the adoption of the 'revaluation model' with the implementation of GRAP 17. The depreciation related to the 'cost model' of assets will thus still be taken through to Table A4 (Budgeted Statement of Financial Performance).

As regards the treatment on the Statement of Financial Position: 'Depreciation resulting from the revaluation of PPE' must be debited against the 'Revaluation reserve account'.

4.4 Cash backing provided in capital replacement reserves

Each municipality needs to develop a strategy to fund infrastructure (both new and replacement) that takes into account internally generated funds, borrowing, development charges, transfers and any other relevant source of capital funding. A municipality's capital replacement reserve must reflect the accumulated provision of internally generated funds designated to replace aging assets – it must therefore be fully cash-backed. Each municipality needs to develop a policy providing for ***an appropriate level of cash-backing in its capital replacement reserve*** for the replacement of assets. The appropriate size of the capital replacement reserve will differ for each municipality depending on its infrastructure funding strategy, the nature of its assets, the state of those assets, how the assets were financed and its capital replacement plans, as well as its ability to generate cash surpluses on its operating budget.

The capital replacement reserve policy should take the following issues into consideration:

i. Priority should be given to providing cash-backing for the replacement of assets used to provide basic services and revenue earning assets;

ii. Where assets were financed by borrowing, the level of cash-backing must take into consideration the likely funding strategy to replace the assets;

iii. Cash-backing should also be provided for assets that were originally financed by conditional grants (it must be assumed that national government *will not fund the replacement of such assets in the future*);

iv. The overall level of cash-backing should take into consideration the increasing cost of replacing assets;

v. The overall level of cash-backing should also take into account the opportunity cost of holding cash investments relative to the demand for new infrastructure and the cost of borrowing; and

vi. The conditions under which the municipality may 'draw-down' on these reserves to fund its capital budget.

From the above it is clear that it is neither necessary nor prudent for a municipality to create a capital replacement reserve that provides cash-backing for the replacement of all assets. To do so would entail forcing the current ratepayers and customers to pay for the replacement of all current assets by raising tariffs beyond levels that are properly cost-reflective. This is not equitable from an intergenerational perspective.

4.5 Budget and accounting treatment of VAT related to conditional grant expenditures

The accounting treatment of VAT in relation to conditional grant expenditures is dealt with in the *VAT Guide 419*. The discussion below deals only with the issues and accounting treatment arising from the 'own revenue' provision in MFMA Circular 48, namely:

i. How municipalities budget for conditional grants and the reclaimed VAT amounts?

ii. How municipalities report on their expenditure performance against conditional grant allocations and the impact this has on the calculation of 'unspent' amounts that have to be returned to the National Revenue Fund?

iii. How municipalities record the reclaimed VAT related to conditional grant expenditures in their Annual Financial Statements?

In addressing these issues, the point of departure is that ALL conditional grant allocations in the Division of Revenue Act are VAT inclusive, i.e. national government has budgeted to pay the VAT inclusive price of the goods and services purchased by municipalities using conditional grant funds.

The reasons for all conditional grant allocations in DoRA being VAT inclusive, and for the 'own revenue' provision in MFMA Circular 48 are as follows:

- It is administratively cumbersome to track conditional grant spending excluding VAT, and to ensure that the spiral of reclaimed VAT is spent in accordance with a particular grant framework.
- Treating the reclaimed VAT as 'own revenue' provides municipalities with a strong incentive to spend their conditional grants. If a municipality fails to do so, it forfeits the opportunity to earn 'own revenue' in the form of reclaimed VAT, as the full unspent amount has to be returned to the National Revenue Fund.
- Treating conditional grant allocations as VAT inclusive means that the recipient municipality does not have to cash flow finance the input VAT in order to spend the entire conditional grant. Many municipalities are unable to do so given their very constrained cash positions, and so there is a risk that they would under-spend on their conditional grants.

From the core policy position that all conditional grants are VAT inclusive, the following:

- A municipality must show its full capital conditional grant allocations reflected in the DoRA under 'transfers and grants – capital' on Tables A2, A3, A4 and A5, so as to facilitate proper tracking of these allocations (i.e. a municipality must not split the capital conditional grants revenue up into 'capital' and 'operational' components in the Budgeted Statement of Financial Performance and Capital Budget);
- A municipality must show the anticipated reclaimed VAT under 'current assets' on its Budgeted Statement of Financial Position (Table A6), which would flow through to the Budgeted Cash Flow (Table A7) (i.e. the reclaimed VAT does not get recorded as 'own revenue' on the Budgeted Statement of Financial Performance, but as a cash receipt on the Budgeted Cash Flow);
- A municipality must report the VAT inclusive expenditure against ALL conditional grants for purposes of DoRA. If they fail to do so, the reclaimed input VAT will reflect as 'unspent' and the municipality will be expected to return such 'unspent' funds to the National Revenue Fund.
- The accounting treatment of conditional grant spending in order to give effect to the 'own revenue' provision in MFMA Circular 48 is as follows:

Expenditure against operating conditional grant

Bank	
1 100	100 2
4 13	
Conditional Grant (Creditor/Current Liability)	
3 87	100 1
13	
Statement of Financial Performance	
2 87 (operating expense)	87 3
	13 (conditional grant)
VAT (Control)	
2 13	13 4

Expenditure against capital conditional grant

Bank	
1 100	100 2
4 13	
Conditional Grant (Creditor/Current Liability)	
3 87	100 1
13	
Assets	
2 87	
VAT (Control)	
2 13	13 4
Statement of Financial Performance	
	87 3
	13
	(conditional grant)

Where:

1 – Is receipt of the Gazetted conditional grant by the municipality in its 'bank' account. The counter entry is on 'conditional grant liability' as the conditional grant revenue is only recognised when the conditions attached to the use of the funding have been met.

2 – When the expenditure is incurred, the 'bank' is credited, and the counter debit entries are:

- in the case of operating conditional grants, split against 'statement of Financial Performance' and 'VAT (control)'; and

- in the case of capital conditional grants, split against 'assets' and 'VAT (control)'.

3 – The conditional grant liability is subsequently debited (reduced) by both the amount spent and the VAT amount and the grant revenue recognised (including VAT) is credited in the 'Statement of Financial Performance'.

4 – Is the receipt of the VAT refund from SARS.

Based on the above transaction, the input VAT that is reclaimed would ultimately form part of the municipality's cash and cash equivalents, which is a source of 'internally generated funds' that the municipality takes into consideration when compiling future budgets. As a matter of good practice, municipalities should use these internally generated funds to either further fund their capital budget or to fund the repairs and maintenance of assets, especially those built using conditional grants.

4.6 Accounting treatment of retention fees and conditional grant funded projects

The issue of the accounting treatment of retention fees related to projects funded by conditional grants has arisen due to the impact the mismanagement of the practice has on:

i. The level of conditional grant spending a municipality reports in terms of DoRA;

ii. The impression that the 'retention fees' are unspent conditional grant funds which must be returned to the National Revenue Fund; and

iii. The treatment of such funds when a municipality applies for the rollover of unspent conditional grant funds at the end of a financial year.

The correct accounting treatment of 'retention fees' (before they are paid = (1)) is as follows:

Asset	
100 (1)	

Bank	
	90 (1)

Retention (Creditor / Current Liability)	
	10 (1)

When reporting on conditional grant spending, the municipality must report on the total value of the invoice due (including any retentions). This is because in accrual accounting the full invoice is regarded as expenditure incurred; it is only payment that has been delayed.

4.7 Districts transferring funds to local municipalities

The local government equitable share and many of the conditional grants are paid to municipalities in line with the *legal allocation of powers and functions* and not to the municipality that may actually be performing a particular basic service (water, electricity, sewerage and refuse removal).

In practice this means that equitable share and conditional grant funds for the basic services are paid to a district municipality that is the 'service authority' even though one or more of the local municipalities within the district are the de facto service providers. In such circumstances the district municipality MUST have a service delivery agreement with the local municipality

and there is an expectation that the district will 'pass onto' the local municipality 'funds for the subsidisation of services to the poor' (see section 80 and 81 of the Municipal Systems Act).

Section 28 of the 2011 Division of Revenue Act provides that each category C municipality must indicate in its budget all allocations from its equitable share and conditional allocations to be transferred to each category B municipality within the category C municipality's area of jurisdiction (these transfers must be detailed on Table SA21, and reflected under 'transfers and grants' on Table A4).

National Treasury is aware that certain district municipalities are failing to transfer an equitable portion of the equitable share funds they receive to the local municipalities responsible for the de facto delivery of services within their areas, and are not spending conditional grants intended to address service delivery backlogs appropriately. As a result, the extension of basic services and the provision of free basic services by these local municipalities are being compromised.

To address this problem, National Treasury, working with the provincial treasuries, will evaluate all transfers made by district municipalities in their 2012/13 tabled budgets to local municipalities that are the de facto providers of basic services. Where a district is failing to transfer an equitable portion of its equitable share funds or is not spending conditional grants to address backlogs it will be instructed to alter its budget accordingly.

4.8 Benefits to mayors and councillors

Section 167 of the MFMA provides that any remuneration paid or given in cash or in kind to a person as a political office-bearer or as a member of a political structure of a municipality otherwise than provided for in the framework of the Public Office Bearers Act 20 of 1998 is regarded as an ***irregular expenditure*** *and the municipality must recover that remuneration from the political office bearer or member*. The section also provides that the municipality may not write-off any expenditures incurred in providing such remuneration, i.e. the irregular expenditure *must be* recovered from the political office bearer or member.

The remuneration referred to above includes

i. any bonus, bursary, loan or advance; and

ii. any other benefit such as:
    - the municipality giving or allocating laptops, notebooks, iPads or other gadgets to councillors and Mayors,
    - cell phone allowances in excess of the limits set in the Public Office Bearers Act;
    - the use of municipal workers' time for councillors' and Mayors' private or business interests;
    - the private use of official/municipal vehicles, and
    - the use of a mayoral residence without paying a *market related rental* to the municipality.

Municipalities are advised to ensure strict compliance with this provision.

4.9 Budget management issues dealt with in previous MFMA Circulars

Municipalities are reminded to refer to MFMA Circulars 48, 51, 54 and 55 with regards to the following issues:

1. *Mayor's discretionary funds and similar discretionary budget allocations* – National Treasury regards allocations that are not designated for a specific purpose to be bad practice and discourages them (refer to MFMA Circular 51).
2. *Unallocated ward allocations* – National Treasury does not regard this to be a good practice, because it means that the tabled budget does not reflect which ward projects are planned for purposes of public consultation and council approval (refer to MFMA Circular 51).
3. *New office buildings* – Municipalities are required to send detailed information to National Treasury if they are contemplating building new main office buildings (refer to MFMA Circular 51).
4. *Virement policies of municipalities* – Municipalities are reminded of the principles that must be incorporated into municipal virements policies (refer to MFMA Circular 51).
5. *Providing clean water and managing waste water* – Municipalities are reminded to include a section on 'Drinking water quality and waste water management' in their 2012/13 budget document supporting information (refer to MFMA Circular 54).
6. *Renewal and repairs and maintenance of existing assets* – Allocations to repairs and maintenance, and the renewal of existing infrastructure must be prioritised. Municipalities must provide detailed motivations in their budget documentation if allocations do not meet the benchmarks set out in MFMA Circular 55.
7. *Budgeting for an operating deficit* – Over the medium term, a municipality should budget for a moderate surplus on its Budgeted Statement of Financial Performance so as to be able to contribute to the funding of the Capital Budget. If the municipality's operating budget shows a deficit it is indicative that there are financial imbalances that need to be addressed (refer to MFMA Circular 55).
8. *Credit cards and debit cards linked to municipal bank accounts are not permitted* – On 02 August 2011 National Treasury issued a directive to all banks informing them that as from 01 September 2011 they are not allowed to issue credit cards or debit cards linked to municipal bank accounts (refer to MFMA Circular 55).
9. *Municipal financial management (IT) systems* – If a municipality is considering replacing or extending its financial management (IT) system, before it goes out to tender it must consult with the National Treasury in accordance with the process set out in MFMA Circular 57.

5 Conditional transfers to municipalities

As indicated above, National Treasury will issue a further Budget Circular for the 2012/13 financial year shortly after the tabling of the National Budget on 22 February 2012. This Circular will deal with any new conditional grant issues and processes related to the management of conditional grants.

At this stage in the budget process, municipalities are advised to use the indicative numbers for 2012/13 in the 2011 Division of Revenue Act to compile their budgets. This document is available on National Treasury's website at:

http://www.treasury.gov.za/legislation/acts/2011/Default.aspx

5.1 Conditional grant issues dealt with in previous MFMA Circulars

Municipalities are reminded to refer to MFMA Circulars 48, 51, 54 and 55 with regards to the following issues:

1. *Accounting treatment of conditional grants* – Municipalities are reminded that in accordance with accrual accounting principles, conditional grants should only be treated as 'transfers recognized' revenue when the grant revenue has been 'earned' by incurring expenditure in accordance with the conditions of the grant.
2. *VAT on conditional grants:* SARS has issued a specific guide to assist municipalities meeting their VAT obligations – ***VAT 419 Guide for Municipalities***. To assist municipalities accessing this guide it has been placed on the National Treasury website at: http://www.treasury.gov.za/legislation/mfma/guidelines/default.aspx.
3. *Interest received and reclaimed VAT in respect of conditional grants:* Municipalities are reminded that in MFMA Circular 48, National Treasury determined that:
   - Interest received on conditional grant funds must be treated as 'own revenue' and its use by the municipality is not subject to any special conditions; and
   - 'Reclaimed VAT' in respect of conditional grant expenditures must be treated as 'own revenue' and its use by the municipality is not subject to any special conditions (see paragraph 4.5 above, in this regard).
4. *Appropriation of conditional grants that are rolled over* – As soon as a municipality receives written approval from National Treasury that its unspent conditional grants have been rolled-over it may proceed to spend such funds (refer to MFMA Circular 51 for other arrangements in this regard).
5. *Pledging of conditional grant transfers* – the 2012 Division of Revenue Bill will contain a provision that allows municipalities to pledge their conditional grants. The end date for the pledges is extended to 2014/15. The process of application as set out in MFMA Circular 51 remains unchanged.
6. *Separate reporting for conditional grant roll-overs* – National Treasury has put in place a separate template for municipalities to report on the spending of conditional grant roll-overs. Municipalities are reminded that conditional grant funds can only be rolled-over once, so if they remain unspent in the year in which they were rolled-over they MUST revert to the National Revenue Fund.
7. *Payment schedule* – National Treasury has instituted an automated payment system of transfers to municipalities in order to ensure appropriate safety checks are put in place. Only the National Treasury approved and verified primary banking details would be used for effecting transfers.

6 The Municipal Budget and Reporting Regulations

National Treasury has released Version 2.4 of Schedule A1 (the Excel Formats). This version incorporates substantial changes (see Annexure A). Therefore ALL municipalities MUST use this version for the preparation of their 2012/13 Budget and MTREF to be tabled on 31 March 2012.

Download Version 2.4 of Schedule A1 by clicking HERE

The Municipal Budget and Reporting Regulations are designed to achieve a range of objectives, including improving the local government sphere's ability to deliver services by facilitating improved financial sustainability and better medium term planning. The regulations, formats and associated guides etc. are available on National Treasury's website at:

http://mfma.treasury.gov.za/RegulationsandGazettes/Pages/default.aspx

6.1 All municipalities must prepare budgets in accordance with the regulations

Municipalities are reminded that the regulations apply to all municipalities and municipal entities as from 1 July 2009.

All municipalities and municipal entities must prepare annual budgets, adjustments budgets and in-year reports for the 2012/13 financial year in accordance with the Municipal Budget and Reporting Regulations. In this regard, municipalities must comply with both:

- The formats set out in Schedules A, B and C; and
- The relevant attachments to each of the Schedules (the Excel Formats).

If a municipality fails to prepare its budget, adjustments budget and in-year reports in accordance with the relevant formats, actions the National Treasury will take includes:

- The municipality will be required to resubmit their documentation in the regulated format by a date determined by the National Treasury;
- The municipality's non-compliance with the required formats will be reported to the Auditor-General; and
- A list of municipalities that fail to comply with the required formats will be tabled in Parliament and the provincial legislatures.

6.2 The Dummy Budget Guide

To assist municipalities with the preparation of their budget documents, National Treasury has issued a *Dummy Budget Guide*, consisting of the following four components:

1. The *MFMA Dummy Budget Guide*
2. The *Annual Budget of Batho Pele City* – the Annexure to the *Guide*
3. The Schedule A1 for Batho Pele City – the 'Excel' budget format schedule
4. The Schedule A1 Graphs and Figures Template.

The *Annual Budget of Batho Pele City* is intended to be a template that municipal officials can use as a basis and guide for producing their own municipality's budget documents. Therefore National Treasury fully intends that officials will copy the format and be guided by the explanations, the tables, graphs and figures in this document. The *Guide* and associated templates and documents can be downloaded from:

http://mfma.treasury.gov.za/Guidelines/Pages/default.aspx

Note that National Treasury will be re-issuing all the above Dummy Budget Guide materials in due course so that they align to the changes that have been introduced by Version 2.4 of the Schedule A1.

6.3 Assistance with the compilation of budgets

If you require advice with the compilation of your budgets, the budget documents or Schedule A1 please direct your enquiries as follows:

Municipalities in…	Responsible NT officials	Tel. No.	Email
Eastern Cape	Thulani Mandiriza Ansie Myburgh	012-315 6640 012-315 5173	Thulani.Mandiriza@treasury.gov.za Ansie.Myburgh@treasury.gov.za
Free State	Vincent Malepa Kgomotso Mokienie	012-315 5539 012-315 5866	Vincent.Malepa@treasury.gov.za Kgomotso.Mokienie@treasury.gov.za
Gauteng	Nozipho Molikoe Nonhlanhla Motaung	012-395 5662 012-315 6051	Nozipho.Molikoe@treasury.gov.za Nonhlanhla.Motaung@treasury.gov.za
KwaZulu-Natal	Kavitha Ruplal Johan Botha	012-315 5700 012-315 5171	Kavitha.Ruplal@treasury.gov.za Johan.Botha@treasury.gov.za
Limpopo	Bernard Mokgabodi Sifiso Mabaso	012-315 5936 012-315 5952	Bernard.Mokgabodi@treasury.gov.za Sifiso.Mabaso@treasury.gov.za
Mpumalanga	Jordan Maya Anthony Moseki	012-315 5663 012-315 5174	Jordan.Maya@treasury.gov.za Anthony.Moseki@treasury.gov.za
Northern Cape	Marli J van Rensburg Yusuf Mayet	012-315 5303 012-315 5111 request ext. 6054	Marli.jansenvanrensburg@treasury.gov.za Yusuf.Mayet@treasury.gov.za
North West	Willem Voigt Sadesh Ramjathan	012-315 5830 012-315 5101	Willem.Voigt@treasury.gov.za Sadesh.Ramjathan@treasury.gov.za
Western Cape	Vuyo Mbunge Kevin Bell	012-315 5661 012-315 5725	Vuyo.Mbunge@treasury.gov.za Kevin.Bell@treasury.gov.za
Technical issues with Excel formats	Ilze Baron Conrad Barberton	012-395 6742 012-315 5117	Ilze.Baron@treasury.gov.za Conrad.Barberton@treasury.gov.za

6.4 End to the phasing in of formats and tables

This will be the third year that all municipalities are required to prepare their annual budgets in accordance with the Municipal Budget and Reporting Regulations. National Treasury therefore expects all municipalities to provide a complete set of information in their annual budget tables, as well as the supporting tables (Schedule A1).

National Treasury, working with the provincial treasuries, will carry out a compliance check and where municipalities have not provided complete information, the budgets will be referred back to the municipalities, and an appropriate letter will be addressed to the Mayor and municipal manager. Municipal managers are reminded that the annual budget must be accompanied by a 'quality certificate' in accordance with the format set out in item 27 of Schedule A in the Municipal Budget and Reporting Regulations.

6.5 Consolidated budgets and reports for municipalities with entities

A municipality that has one or more municipal entities is required to produce:

- An annual budget, adjustment budgets and monthly financial statements for the parent municipality in the relevant formats; and

- A consolidated annual budget, adjustments budgets and monthly financial statements for the parent municipality and all its municipal entities in the relevant formats.

*Municipalities are reminded, that with effect from 1 July 2011, municipalities that have municipal entities must submit their **consolidated** annual budget, **consolidated** adjustment budgets and **consolidated** quarterly financial information to the National Treasury Local Government Database.*

In addition, the Schedule A1 that the municipality submits to National Treasury must be the consolidated budget for the municipality (plus entities) and not the budget of the parent municipality.

This is to ensure that there is consistency of reporting both across municipalities, but also in respect of the individual municipality with municipal entities.

6.6 Application of regulations to municipal entities

All municipal entities that provide normal municipal-type services (e.g. water, electricity, refuse removal, etc.) must comply with Chapter 3 of the Municipal Budget and Reporting Regulations.

Municipalities that have entities that must comply with Chapter 3 of the regulations must produce the **consolidated tables** prescribed in Schedule A of the regulations.

Municipalities that have entities that do not provide normal municipal services or where budgeted amounts are immaterial in relation to the parent municipality's budget and only comprise of funds transferred from the parent municipality may apply to National Treasury for an exemption in respect of those entities. Applications must be sent to Jan Hattingh (e-mail: jan.hattingh@treasury.gov.za) by 01 March 2012, and must include the following information:

(a) the name of the entity;

(b) a description of the ownership and governance arrangements of the entity;

(c) details of the functions and services the entity delivers;

(d) a copy of the entity's 2010/11 annual financial statements; and

(e) a copy of the entity's 2011/12 annual budget.

National Treasury will inform municipalities in writing on the outcome of these applications by 15 March 2012.

6.7 Municipal budgets and internal charges

This issue has been addressed extensively in MFMA Circulars 48 and 55. It has been noted that certain municipalities are still including internal charges on their budgets, monthly reports and submissions to the Local Government Database, thus overstating their revenues and expenditures.

To eliminate this bad practice, National Treasury will refer all 2012/13 budgets, monthly financial statements and Local Government Database returns that include internal charges back to municipalities for correction.

6.8 Distinguishing between cash and non-cash transfers and grants

A municipality can make cash 'transfers and grants' or non-cash 'transfers and grants' (often referred to as in-kind donations/grants) to organisations and individuals. To facilitate more accurate analysis of the municipality's cash flow and financial position detail has been introduced on Supporting Tables SA1 and SA21 to reflect the cash and non-cash transfers and grants separately.

Note that:

- The targeted provision of free basic services to indigent households must be treated as a non-cash transfer and grant;
- Both cash and non-cash transfers and grants must be taken through to the Budgeted Statement of Financial Position on Table A4; and
- Only the cash transfers and grants must be taken through to the Budgeted Cash Flow on Table A7.

6.9 The cost of free basic services versus the revenue cost of free services

On Table A10 municipalities are required to provide information on (i) the estimated *cost of free basic services* and (ii) the estimated *revenue cost of free services*. To ensure consistent reporting please note the following:

1. *The estimated cost of free basic services:*
   - Covers only the free basic services according to national policy, i.e. 6 kl water, 50 kWh electricity, free sewerage and free weekly refuse removal;
   - Must be the *actual cost to the municipality* and not the revenue cost to the municipality of providing these services;
   - Includes the actual cost to the municipality of providing the free basic services to all households (which would be reflected as 'revenue foregone' on SA1); and
   - Includes the actual cost to the municipality of providing free basic services to targeted households (which would be reflected as 'transfers and grants' on SA21).

2. *The estimated revenue cost of free services:*
   - Covers all rates rebates, exemptions and discounts given to households and other customer groups either in general or specifically;
   - Covers all free services or service discounts given to households and other customer groups in relation to services for which the municipality normally charges;
   - Must be *the revenue cost to the municipality* of providing these rebates, discounts and free services;
   - Includes the *revenue cost to the municipality* of providing the free basic services to households according to national policy; and
   - Must not include the cost of debt write-offs.

The purpose of this information is to enable the council and municipality to get an understanding of the impact that 'discounts' and 'free services' have on the municipality's revenues, and therefore tailor its 'social package' appropriately, taking into consideration the equitable share funds provided to subsidise the provision of free basic services. It also facilitates analysis of which customer groups benefit from a municipality's 'social package'

6.10 Completion of service delivery information on Table A10

Table A10 is becoming an increasingly important source of information on actual service delivery and service delivery backlogs. *A municipality that is the designated service authority for a particular service MUST report on the delivery status of that service to all households within its area, irrespective of whether the service is provided by a municipal entity, another municipality or an external mechanism.*

Where a district municipality is the designated service authority and a local municipality is the actual service provider, both the district and the local municipality must report on the delivery status of that service to all households within their respective areas. This will provide a useful cross-check, and enable National Treasury and the provincial treasuries to evaluate whether the district is passing on an equitable portion of the equitable share and conditional grants it receives.

To improve the accuracy of the information the following changes have been introduced by Version 2.4:

i. Table A10 now draws its information from Supporting Table SA9, where the information has to be entered according to service provider, namely:
   - Municipal in-house services
   - Municipal entity services
   - Services provided by 'external mechanism' – which includes municipalities that are providing services on behalf of another municipality in terms of a service level agreement.

ii. The 'total number of households' for each service must be the same as the total number of households in the municipality as reflected on Supporting Table A9. Four checks have been introduced on Table A10 to monitor this.

iii. Municipalities must enter the actual number of households – the rounding up to '000s has been removed.

National Treasury plans to prepare a special report on this service delivery information for Parliament in the second half of 2012. It is therefore important for each municipality to ensure its information is up-to-date and accurate.

6.11 MBRR issues dealt with in previous MFMA Circulars

Municipalities are reminded to refer to MFMA Circulars 48, 51, 54 and 55 with regards to the following issues:

1. *Budgeting for revenue and 'revenue foregone'* – The 'realistically anticipated revenues to be collected' that must be reflected on the Budgeted Statement of Financial Performance (Tables A2, A3 and A4) must exclude 'revenue foregone'. The definition of 'revenue foregone' and how it is distinguished from 'transfers and grants' is discussed in MFMA Circular 51.
2. *Preparing and amending budget related policies* – Information on all budget related policies and any amendments to such policies must be included in the municipality's annual budget document (refer to MFMA Circular 54).
3. *2012/13 MTREF Funding Compliance Assessment* – All municipalities are required to perform the funding compliance assessment outlined in *MFMA Funding Compliance Guideline* and to include the relevant information outlined in MFMA Circular 55 in their 2012/13 budgets (refer to MFMA Circular 55).

7 Budget process and submissions for the 2012/13 MTREF

Over the past number of years there have been significant improvements in municipal budget processes. Municipalities are encouraged to continue their efforts to improve their budget processes based on the guidance provided in MFMA Circulars 10, 19, 28 and 31 as well as the new regulations.

Once more, municipalities are reminded that the IDP review process and the budget process should be combined into a single process.

7.1 Submitting budget documentation and schedules for 2012/13

To facilitate oversight of compliance with Municipal Budget and Reporting Regulations, accounting officers are reminded that:

- Section 22(b)(i) of the MFMA requires that ***immediately*** after an annual budget is tabled in a municipal council it must be submitted to the National Treasury and the relevant provincial treasury in both printed and electronic formats. The deadline for such submissions is Monday, 9 April 2012.
- Section 24(3) of the MFMA, read together with regulation 20(1), requires that the approved annual budget must be submitted ***within ten working days*** after the council has approved the annual budget. So if the council only approves the annual budget on 30 June 2010, the final date for such a submission is Thursday, 13 July 2012, otherwise an earlier date applies.

The municipal manager must submit:

- the budget documentation as set out in Schedule A of the Municipal Budget and Reporting Regulations, including the main Tables (A1 - A10) and all the supporting tables (SA1 – SA37) in both printed and electronic format; and
- the draft service delivery and budget implementation plan in both printed and electronic format; and
- in the case of approved budgets, the council resolution.

Municipalities are required to send electronic versions to lgdocuments@treasury.gov.za.

If the budget documents are too large to be sent via email, arrangements for them to be downloaded from the municipality's website must be made with Elsabe Rossouw (email: Elsabe.Rossouw@treasury.gov.za).

Municipalities are required to send printed submissions of their budget documents and council resolution to:

For couriered documents	For posted documents
Ms Linda Kruger	Ms Linda Kruger
National Treasury	National Treasury
40 Church Square	Private Bag X115
Pretoria, 0002	Pretoria, 0001

After receiving tabled budgets, National Treasury will complete a compliance checklist. This checklist will indicate the level of compliance to the Municipal Budget and Reporting Regulations. A copy of the checklist will be sent to the municipality in order to facilitate

improvements in the quality of tabled and approved budgets. Please review the municipality's performance last year, and ensure that the gaps are addressed.

7.2 Budget reform returns to the Local Government Database for publication

For publication purposes, municipalities are still required to use the Budget Reform Returns to upload budget and monthly expenditure to the National Treasury Local Government Database. *The old formats may not be used to submit 2012/13 budget information*. All municipalities must migrate to using the aligned version of the electronic returns. All returns are to be sent to lgdatabase@treasury.gov.za.

The new aligned electronic returns may be downloaded from National Treasury's website at the following link: http://mfma.treasury.gov.za/Return_Forms/Pages/default.aspx.

7.3 Publication of budgets on municipal websites

In terms of section 75 of the MFMA all municipalities are required to publish their tabled budgets, adopted budgets, annual reports (containing audited annual financial statements) and other relevant information on the municipality's website. This will aid in promoting public accountability and good governance.

All relevant documents mentioned in this circular are available on the National Treasury website, http://mfma.treasury.gov.za/Pages/Default.aspx. Municipalities are encouraged to visit it regularly as documents are regularly added / updated on the website.

Contact

national treasury
Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Post	***Private Bag X115, Pretoria 0001***
Phone	***012 315 5009***
Fax	***012 395 6553***
Email – General	***mfma@treasury.gov.za***
Website	***www.treasury.gov.za/legislation/mfma***

JH Hattingh
Chief Director: Local Government Budget Analysis
14 December 2011

Annexure A – Changes to Schedule A1 – the 'Excel formats'

As noted above, National Treasury has released Version 2.4 of Schedule A1 (the Excel Formats). It incorporates the following changes:

No.	Sheet	Amendment	Reason
1	Org. structure	Sheet appearance has been aligned to that of the 'Instructions' and 'Start pages'. Vote and sub-vote structures have been linked to A3A and A5A, based on the selected votes and sub-votes on the 'Org structure' page.	Facilitate easier completion of sheets
2	A5A	Under the 'multi-year capital' section, the budget columns have been modified to simplify the completion of multi-year allocations	See paragraph 4.2 above
3	A8	Calculation of 'other working capital' has been modified.	Correction
4	SA1	Ten lines have been added to accommodate 'other revenue'	Correction
5	SA1	List of remuneration categories has been standardized (see also SA22)	To align with the draft SCOA
6	SA1	Detail on 'depreciation and asset impairment' has been extended to include 'depreciation resulting from revaluation of PPE'	See paragraph 4.3 above
7	SA1	Detail on 'transfers and grant' has been added to reflect cash and non-cash transfers on grants. This detail is linked to a similar change on SA21	See paragraph 6.8 above
8	SA3	The following Reserves have been deleted: (1) Capitalisation, (2) Government Grant and (3) Public contributions and donations.	Correction to align with GRAP
9	SA8	The following indicators have been deleted: (1) Borrowing to Asset ratio, (2) Debt to Equity ratio and (3) Provisions not Funded	They are not useful or misleading when it comes to analyzing municipal finances.
10	SA8	The following indicators have been added: (1) Capital Charges to Own Revenue and (2) Creditors to Cash and Investments.	These indicators are useful when it comes to analyzing municipal finances.
11	SA9	Income categories based on the Statistics SA Household Survey and Census 2011 have been inserted, as well as an indicative poverty line.	The aim is to align this information with Stats SA data, which should be the main source municipalities use for this information. The indicative poverty line is to start the process of ensuring indigents policies move from the same basis.
12	SA9	There is a new section providing detail to Table A10 on service delivery as follows: • Total Municipal Services, • Municipal In-House Services, • Municipal Entity Services; and • Services Provided by External Mechanisms.	See paragraph 6.10 above.
13	SA12&13	SA12&13 have been split into three separate sheets as follows: (1) SA12a - Property Rates by category for the current year. (2) SA12b - Property rates by category for the budget year. (3) SA13 - Service Tariffs by category	To facilitate the collection of consistent information on municipal rates and domestic tariffs.
14	SA14	References have been amended to provide quantitative indicators of the different household	To ensure the sample household bills are consistent across all municipalities.

No.	Sheet	Amendment	Reason
		profiles.	
15	SA16	Additional columns have been added.	To gather information required in terms of the Municipal Investment Regulations.
16	SA17	An additional section has been added below the original table to facilitate more detailed reporting on 'Unspent Borrowing', as reported on A8 (linked)	To gather information related to the rollover and offsetting on unspent conditional grant funds.
17	SA21	Cash and non-cash transfers have been separated on SA21, and linked to SA1	See paragraph 6.8 above
18	SA22	List of remuneration categories has been standardized (see also SA1)	To align with the draft SCOA
19	SA30	Line items have been aligned to terminology used in A6 and A7	Correction
20	SA34b and SA34c	Ratios shown on A9 and MFMA Circular 55 added to SA34b and c, as appropriate.	To facilitate analysis of budgeting for renewal and repairs and maintenance
21	SA34d	SA34d, Depreciation by Asset Class has been inserted.	To facilitate detailed analysis of budgeting for renewal and repairs and maintenance by asset class over a period of time.
22	SA36	An additional column has been added.	To monitor compliance with MFMA section 19(1)(b) and MBRR Regulation 13, concerning the appropriation of funds to new individual projects during the financial year.
23	SA36 & SA37	(1) An additional column has been added where municipalities will be required to enter GPS co-ordinates (correct to seconds) for all listed projects. (2) Drop-down boxes have been added to facilitate the completion of Asset classes and sub-classes	Facilitate monitoring and tracking

NATIONAL TREASURY

MFMA Circular No. 59
Municipal Finance Management Act No. 56 of 2003

Municipal Budget Circular for the 2012/13 MTREF

This circular provides further guidance to municipalities and municipal entities for the preparation of their 2012/13 Budgets and Medium Term Revenue and Expenditure Framework (MTREF). It must be read together with MFMA Circulars No. 48, 51, 54, 55 and 58.

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1 Key focus areas for the 2012/13 budget process

The *Budget Review 2012* notes that the South African economy has demonstrated resilience despite unsettled international economic conditions. Global developments are likely to hold back higher growth over the short term, resulting in gross domestic product (GDP) growth being expected to slow from 3.1 per cent in 2011 to 2.7 per cent in 2012. However, the domestic outlook remains positive over the medium term. As the world economy strengthens, GDP growth will accelerate to 3.6 per cent in 2013 and 4.2 per cent in 2014, led by robust household consumption, and stronger public- and private-sector investment.

Government is focussing on capital investment in large-scale public-sector infrastructure projects and reducing the cost of doing business through targeted interventions. This will entail shifting the composition of spending from consumption towards capital investment. Moderating growth in the public-sector wage bill, and stabilising the growth in interest payments, will allow more funds to be spent on infrastructure and social spending.

The labour market has shown signs of improvement over the past year, with total employment rising by 520 000 new jobs or 2.8 per cent between December 2010 and December 2011. Job creation has been in the formal private sector. The economy is projected to add 850 000 new jobs over the next three years, with 80 per cent of these in the private sector, lowering the unemployment rate to about 23 per cent in 2014. Most of these jobs are likely to be concentrated in services and construction as a result of steady growth in domestic demand and infrastructure expenditure, and a pickup in residential investment expected during the outer years of the forecast.

Consequently, municipal revenues and cash flows are expected to gradually improve during 2012/13. However, given that the likely recovery is not guaranteed and, at best, is likely to be slow, ***municipalities must still adopt a conservative approach when projecting their expected revenues and cash receipts***. Municipalities should also pay particular attention to managing all revenue and cash streams effectively, and carefully evaluate all spending decisions.

1.1 Additional allocations to local government

The *Budget Review 2012* and the *2012 Division of Revenue Bill* indicates that over the 2012 MTEF, transfers to local government grow by R5.3 billion, of which R2.2 billion is added to the local government equitable share and R3.1 billion to local government conditional grants. Additions to the equitable share provide for increased support for the institutional costs of poor municipalities and for the anticipated increase in the costs of basic services in the second and third years of the MTEF period.

This means the baseline allocations to local government for 2012/13 are R37.9 billion to the local government equitable share, and R30.4 billion for conditional grants. Municipalities MUST ensure that their tabled budgets reflect the equitable share and conditional grant allocations set out in the 2012 Division of Revenue Bill.

This document is available on National Treasury's website at:

http://www.treasury.gov.za/documents/national%20budget/2012/default.aspx

In addition, National Treasury will send out 'allocation letters' informing each municipality of its equitable share, national conditional grant and provincial transfers (as reflected in the relevant provincial budget/gazette).

2 Headline inflation forecasts

Municipalities must take the following inflation forecasts into consideration when preparing their 2012/13 budgets and MTREF.

Fiscal year	2010/11	2011/12	2012/13	2013/14	2014/15
	Actual	Estimate	Forecast		
Headline CPI Inflation	3.8%	5.7%	5.9%	5.3%	4.9%

Source: Budget Review 2012

Note that the fiscal year referred to is the national fiscal year (April to March) which is more closely aligned to the municipal fiscal year (July to June) than the calendar year inflation.

The period of the *Salary and Wage Collective Agreement 2009/10 to 2011/2012* has come to an end. In the absence of other information from the South African Local Government Bargaining Council, municipalities are advised to budget for a 5 per cent cost-of-living increase adjustment, to be implemented with effect from July 2012 (in-line with the increase proposed in the 2012 MTBPS).

3 Revising rates, tariffs and other charges

In addition to the issues dealt with in MFMA Budget Circular 58, municipalities are advised to take note of the following:

3.1 Eskom bulk tariff increases

The Eskom price of bulk electricity supplied to municipalities will increase by 13.5 per cent on 1 July 2012. Based on this price increase, and increases in the price of other inputs NERSA has set a guideline increase for municipal tariffs of 11.03 per cent. The relevant guideline, as well as NERSA's Reasons for Decision document can be accessed at: www.nersa.org.za.

National Treasury was consulted on the methodology used by NERSA to calculate the guideline municipal tariff increase.

Where a municipality's evaluation of its cost structure results in a lower or higher tariff increase to that proposed by NERSA, the municipality must structure its tariffs accordingly and ensure it provides the necessary motivation and information in its tariff application to NERSA.

Each municipality must structure its IBT tariff according to its own specific circumstances and ensure that it provides the necessary motivation and information to NERSA in its tariff application. In this regard, municipalities need to pay careful attention to determining an appropriate level of cross-subsidisation between the different IBT blocks given the profile of its customer base, and also have regard to affordability and the price elasticity of the demand for electricity.

3.1 Process for NERSA approval of municipal electricity tariffs

NERSA's 09 March 2012 decision to reduce the increase in the Eskom price of bulk electricity supplied to municipalities has a direct impact on NERSA's ability to comply with section 43(3) of the MFMA, and approve municipal tariffs for the 2012/13 financial before 15 March 2012.

In terms of section 43(3) of the MFMA, the Minister of Finance may, on good grounds, approve that tariffs determined by NERSA after 15 March 2012 which have to be implemented by municipalities from 1 July 2012.

National Treasury is currently in discussions with NERSA on how to manage the process of approving municipal tariff applications for 2012/13 in way that does not disrupt the finalisation of municipal budgets. Further information in this regard will be emailed to municipalities once there is agreement.

In the meantime municipalities are asked to submit their tariff applications and D-forms to NERSA as soon as possible.

4 Funding choices and management issues

4.1 Re-examine the operating budget so as to fund infrastructure

As noted above, the government is focussing on capital investment in order to foster economic growth and reduce the cost of doing business in the country. It is expected that municipalities will adopt a similar stance when preparing their budgets for 2012/13. To do this, municipalities need to focus on controlling expenditure on their operating budget (Budgeted Financial Performance) so as to generate surpluses (own revenues) which are cash backed to strengthen the funding of the capital budget.

When it comes to funding the capital budget (see Table A5) many municipalities are completely or largely reliant on national and provincial conditional grants. In other words, they contribute nothing or very little from their own revenues to the funding of infrastructure within the municipality. To change this, all municipalities need to explore ways in which their own revenue contribution to funding their capital budget can be increased. This means carefully examining ways to increase revenues and improving revenue collection, and evaluating the appropriateness and priority of ALL current expenditure and eliminating all non-priority spending (see item 4.1 of MFMA Budget Circular 58).

In addition to funding the capital budget, municipalities also need to pay ongoing attention to the issue of renewal of existing assets and repairs and maintenance. Refer to MFMA Circular 55 as regards benchmarks for spending on renewal of existing assets and repairs and maintenance, as well as disclosure requirements in the budget document. The overall challenge is to change the composition of municipal spending away from consumption items (mainly personnel) to areas of expenditure that support economic growth and service delivery more directly.

4.2 The ratio of personnel expenditure to operating expenditure

Is there a prescribed or recommended benchmark for the ratio of personnel expenditure to operating expenditure? The short answer is: no.

The ratio of personnel expenditure to operating expenditure is widely used as an indicator of the sustainability of municipal budgets and expenditures. This raises important questions of exactly how the ratio should be interpreted and whether National Treasury *should* set a benchmark for purposes of assessing the sustainability of municipal finances.

First, on the issue of interpreting the ratio, one needs to be aware of the factors that can influence it. These include:

- the nature of the functions allocated to the municipality and types and extent of services it delivers;
- the municipality's organisational structure, particularly the ratio of management to technical and unskilled employees;
- the labour intensity of the municipality's operations versus the extent of mechanization;
- the extent to which the municipality has outsourced the more labour intensive components of its operations; and
- the composition of the non-personnel components of operating expenditure, particularly trends in expenditure on maintenance and payments for bulk water and electricity services.

Second, on the issue of setting a benchmark, it is clear that the interpretation of the ratio is specific to the context of each municipality. *It would therefore be inappropriate for National Treasury to set a specific benchmark, consequently there is NO benchmark.*

Nevertheless, should the ratio for a municipality be significantly above or below the average ratio for its peers (municipalities of similar size and functional responsibility) or if the ratio for a municipality move upward or downward, it should be treated as a warning signal and should trigger an enquiry into the factors that are driving the ratio in a particular direction. It is after all these underlying factors that may be threatening the financial sustainability of the municipality and not the ratio itself.

Currently, among municipalities with the electricity function, this ratio is tending to move downward despite fairly large increases in personnel spending. This is because spending on bulk electricity purchases is increasing at a very fast rate, driving the relative share of all other expenditure categories down. In such instances the ratio tells one very little about the appropriateness of a municipality's level of expenditure on personnel relative to the overall operating budget.

4.3 Equitable share ward allocations

Funds have been added to the Special Support for Councillor Remuneration and Ward Committees that is transferred together with the local government equitable share in schedule three. These additions increase the level of the subsidy contributed by national government towards the cost of remunerating councillors and provides funding for the payment of stipends to ward committee members. These allocations are only made to municipalities in grades 1-3 municipalities (the lowest three of the six municipal grades) in terms of the grading system prescribed in the annual *Gazette on the determination of upper limits of salaries, allowances and benefits of different members of Municipal Councils*. Details of the allocation per municipality are provided in Appendix W1, from page 256 of the Division of Revenue Bill.

Note that as these funds are transferred as part of the equitable share which is an unconditional transfer, no conditions may be prescribed for how they are used. The municipality therefore has discretion over the use of these funds to fund their councilor remuneration and ward committee structures in terms of their own policy (within the gazetted upper limits) or may even choose to use them in other areas of the budget, according to local priorities.

4.4 Grants and VAT transactions

When municipalities are assessing the VAT consequences of transactions involving the equitable share grant and conditional grants they must distinguish between:

1. *Transaction one - the transfer of the grants from national government or provincial government to the municipality*. The VAT on these transactions is zero-rated, and

therefore the issue of paying and reclaiming VAT related to these transactions does not arise.

2. *Transaction two – the expenditure of the grant funds by the municipality*. These transactions are subject to the normal VAT provisions. Depending on the nature of goods and services purchased the municipality may or may not be required to pay input VAT. It is this reclaimed input VAT that MFMA Budget Circulars 48 and 58 indicate becomes part of the municipality's cash.

Note that generally agency payments from national government and provincial government to local government are unlikely to be regarded as *grants* for VAT purposes. The municipality is performing a service for the relevant national or provincial department in terms of the agency agreement and so agency payments from the relevant national/provincial department to the municipality are subject to the normal VAT provisions.

Please refer to the **VAT 419 Guideline for Municipalities** which is available at:
http://mfma.treasury.gov.za/Guidelines/Pages/default.aspx

5 Conditional transfers to municipalities

Section 216 of the Constitution provides for national government to transfer resources to municipalities in terms of the annual Division of Revenue Act (DoRA) to assist them in exercising their powers and performing their functions. These allocations are announced annually in the national budget. Transfers to municipalities from national government are supplemented with transfers from provincial government. Further, transfers are also made between district municipalities and local municipalities.

The DoRA provides for funds to be allocated in different 'schedules'. Each of the schedules provide for grants of a particular type as follows:

Schedule 1 – sets out the equitable division of anticipated revenue raised nationally among the national, provincial and local spheres of government (the so called vertical division);

Schedule 2 – sets out each province's equitable share of the provincial government sphere's share of revenue raised nationally (the so called horizontal division among provinces);

Schedule 3 – sets out each municipality's equitable share of the local government sphere's share of revenue raised nationally (the so called horizontal division among municipalities);

Schedule 4 – supplementary funding allocations to provinces from national government's share of revenue;

Schedule 5 – specific purpose allocations to provinces from national government's share of revenue;

Schedule 6 – specific purpose allocations to municipalities from national government's share of revenue;

Schedule 7 – allocations in-kind to provinces and municipalities for designated special programmes; and

Schedule 8 – provision to specifically cater for immediate release of funds to provinces and municipalities for disaster response.

It is important that the transfers applicable to municipalities are made transparently, and properly captured in municipalities' budgets. In this regard, regulation 10 of the *Municipal Budget and Reporting Regulations* provides guidance on when municipalities should reflect a transfer or donation on their budgets. Note that promises of funds that do not meet the requirements set out in regulation 10 must not be included in the municipality's budget.

Municipalities are advised not to accept transfers from national or provincial departments that are not reflected in the 2012 Division of Revenue Bill or the relevant provincial budget, or that are not related to a properly approved agency agreement. Such ad hoc transfers are very often unauthorised expenditure at the national and provincial level, and are invariably related to fiscal dumping.

Also note that grants-in-kind (e.g. capital assets transferred by a district to a local municipality) need to be budgeted for as a 'transfer or grant' on Table A4 by the district municipality (and not on their Table A5 Capital Budget – since the expenditure does not get capitalised), and as a 'contributed asset' on Table A4 by the local municipality, and from there directly on Table A6 Budget Financial Position.

In support of regulation 10 of the *Municipal Budget and Reporting Regulations*, the 2012 Division of Revenue Bill provides that –

1. In terms of section 14, National Treasury is required to publish in the *Government Gazette* the allocations and indicative allocations for all national grants to municipalities;
2. In terms of section 29, each provincial treasury is required to publish in the *Government Gazette* the allocations and indicative allocations per municipality for every allocation to be made by the province to municipalities from the province's own funds; and
3. In terms of section 28, each category C municipality must indicate in its budget all allocations from its equitable share and conditional allocations to be transferred to each category B municipality within the category C municipality's area of jurisdiction.

The Government Gazette reflecting the allocations and indicative allocations for all national grants to municipalities is available at:

http://www.treasury.gov.za/legislation/bills/2012/Default.aspx

In addition, National Treasury publishes a payment schedule that sets out exactly when the equitable share and national conditional grant funds are to be transferred to municipalities. This is available at:

http://www.treasury.gov.za/legislation/mfma/media_releases/Municipal%20Payment%20Schedule/

The payment schedules that provincial treasuries are required to submit to National Treasury in terms of section 29(5) of the 2012 Division of Revenue Bill will be published on National Treasury's website, along with the national payment schedule.

5.1 Timing of municipal conditional grant transfers

In order to facilitate synchronisation of the national / provincial financial year (01 April to 31 March) with the municipal financial year (01 July to 30 June), the 2012 Division of Revenue Bill requires that all equitable share and Schedule 4 and 6 conditional allocations to municipalities must be transferred to municipalities within the period 01 July 2012 to 31 March 2013. Municipalities must not accept any equitable share, Schedule 4 and Schedule 6 transfers from national or provincial departments outside of these timeframes.

National and provincial departments are also advised to only transfer other grant funds and to only make agency payments to municipalities within the period 01 July 2012 to 31 March

2013. This is to ensure the municipality is able to include such funds on its budget for 2012/13 and to ensure that reporting on the use of the funds is properly aligned across the national/provincial and municipal financial years.

5.2 Payment schedule for transfers

National Treasury has instituted an automated payment system for transfers to municipalities during the 2010 financial year in order to ensure appropriate safety checks are put in place.

Section 22 of the 2012 Division of Revenue Bill requires transfers to municipalities to be made as per the approved payment schedule published by National Treasury. Through this system, any transfers not in line with the payment schedule will be rejected. In addition if the payment details of the municipality are not up-to-date the transfers will also be rejected.

5.3 Responsibilities of transferring and receiving authorities

The legal obligations placed on transferring and receiving officers in terms of the 2012 Division of Revenue Bill are very similar to previous requirements. National Treasury intends ensuring strict compliance in order to improve spending levels, and the quality of information relating to the management of conditional grants.

Municipalities are again reminded that compliance with the annual Division of Revenue Act is the responsibility of the municipal manager as the "receiving officer". The municipal manager is responsible for, among other things, the tabling of monthly reports in council on whether or not the municipality is complying with the Division of Revenue Act. He/she is also responsible for reporting on any delays in the transfer or the withholding of funds. Failure on the part of a municipal manager to comply with the Act will have financial implications for the municipality as it will lead to the municipality losing revenue when funds are stopped and /or reallocated.

Where the municipality is unable to comply, or requires an extension, the municipal manager must apply to the National Treasury and provide comprehensive motivation for the non-compliance.

5.4 Unspent conditional grant funds for 2011/12

To bring legal certainty to the process of managing unspent conditional grant funds, the 2012 Division of Revenue Bill contains the following provisions:

> **Unspent conditional allocations**
> 21. (1) Despite the provisions of the Public Finance Management Act or the Municipal Finance Management Act relating to roll-overs, any conditional allocation that is, in the case of a province, not spent at the end of a financial year or, in the case of a municipality, at the end of a municipal financial year, reverts to the National Revenue Fund, unless the relevant receiving officer can prove to the satisfaction of the National Treasury that the unspent allocation is committed to identifiable projects.
>
> (2) The National Treasury, and a provincial treasury in the case of a provincially funded allocation, may, at the request of a transferring national officer, provincial treasury or municipality, approve—
>
> (a) a roll-over from a conditional allocation to the next financial year; and
> (b) spending of a portion of a conditional allocation on activities related to the purpose of that allocation, where the province or municipality projects significant unforeseeable and unavoidable over-spending on its budget.
>
> (3) (a) Any funds which must revert to the National Revenue Fund in terms of subsection (1), and which have not been approved by the National Treasury

to be retained in terms of subsection (2), must be repaid to the National Revenue Fund.

(b) A receiving officer must ensure that all funds referred to in paragraph (a) are repaid to the National Revenue Fund.

(4) The National Treasury, in accordance with subsection (5), may offset any funds which must be repaid to the National Revenue Fund in terms of subsections (1) and (3), but which have not been repaid—

(a) in the case of a province, against future advances for conditional allocations to that province; and

(b) in the case of a municipality, against future advances for the equitable share or conditional allocations to that municipality.

(5) Prior to the National Treasury offsetting any amounts against allocations to a province or municipality in terms of subsection (4), the National Treasury must give the relevant transferring national officer, province or municipality—

(a) written notice of the intention to offset amounts against upcoming advances for allocations; and

(b) an opportunity, within 14 days of receipt of the notice referred to in paragraph (a), to—

(i) submit written representations and other documentary proof that the unspent allocation was either spent in accordance with the relevant framework, or is committed to identifiable projects;

(ii) propose alternative means acceptable to the National Treasury by which the unspent allocations can be repaid to the National Revenue Fund; and

(iii) propose an alternative payment schedule in terms of which the unspent allocations will be repaid to the National Revenue Fund.

(6) A notice contemplated in subsection (5) must include the intended amount to be offset against allocations, and the reasons for offsetting the amounts.

(7) The retention of funds which should revert to the National Revenue Fund in terms of subsections (1) and (3), and which have not been approved by the National Treasury to be retained in terms of subsection (2), constitutes financial misconduct by the receiving officer in terms of section 34.

The process to ensure the return of unspent conditional grants for the 2011/12 financial year will be managed in accordance with section 21 set out above. The following practical arrangements will apply –

Step 1: Municipalities must submit their June 2012 conditional grant expenditure reports according to section 71 of MFMA reflecting all accrued expenditure on conditional grants.

Step 2: When preparing their annual financial statements a municipality must determine what portion of each national conditional allocation it received remained unspent as at 30 June 2012. These amounts MUST exclude all interest earned on conditional grants and all VAT related to conditional grant spending that has been *reclaimed from SARS*, which must be disclosed separately.

Step 3: If the receiving officer wants to motivate in terms of section 20(5)(b) that the funds have been spent or are committed to identifiable projects or wants to propose an alternative payment method or schedule the required information must be submitted to National Treasury by 31 August 2012. ***National Treasury will not consider any rollover requests that are incomplete (see item 5.6 below) or that are received after this deadline.***

Step 4: National Treasury will confirm in writing whether or not the municipality may retain as a rollover any of the unspent funds because they are committed to identifiable projects

or whether it has agreed to any alternative payment methods or schedules by 01 October 2012.

Step 5: A municipality must return the remaining unspent conditional grant funds that are not subject of a specific repayment agreement with National Treasury to the National Revenue Fund by 19 October 2012. Failure to return these unspent funds by this date will constitute financial misconduct in terms of section 21(7) of the Division of Revenue Act.

Step 6: Any unspent conditional grant funds that should have been repaid to the National Revenue Fund by 19 October 2012 will be offset against the municipality's November equitable share allocation.

All the calculations of the amounts to be surrendered to the National Revenue Fund will be audited by the Auditor-General.

5.5 Criteria for the rollover of conditional grant funds

Municipalities may not rollover unspent conditional grant spending in terms of section 28(2)(e) of the MFMA (read together with regulation 23(5) of the Municipal Budget and Reporting Regulations) because they are national/provincial funds. The applicable rollover process is then effected through the national/provincial adjustments budget in November each year. In this regard refer to MFMA Budget Circular 51 for more information.

Section 21 of the 2012 Division of Revenue Act requires that any conditional grants which are not spent at the end of the municipal financial year must revert to the National Revenue Fund, unless the receiving officer proves to the satisfaction of National Treasury that the unspent allocation is committed to identifiable projects, in which case the funds may be rolled over.

When applying to retain unspent conditional allocations committed to identifiable projects or requesting a rollover in terms of section 21(2) of the Division of Revenue Act, municipalities must supply National Treasury with the following information –

1. A formal letter addressed to the National Treasury requesting the rollover of unspent conditional grants in terms of section 20(2) of the 2011 of DoRA;
2. List of all the projects that are linked to the unspent conditional grants;
3. Evidence that work on each of the projects has commenced, namely either of the following:
    a. Proof that the project tender was published and the period for tender submissions closed before 30 June; or
    b. Proof that a contract for delivery of the project was signed before 30 June.
4. A progress report on the state of implementation of each of the projects;
5. The amount of funds committed to each project, and the conditional allocation from which the funds come from; and
6. An indication of the time-period within which the funds are to be spent.

If any of the above information is not provided or the application is received by National Treasury after 31 August 2012, the application will be declined.

In addition, National Treasury will also take into account the following information when assessing rollover applications, and reserves the right to decline an application if there is non-performance by the municipality in any of these areas:

1. Compliance with the in-year reporting requirements in sections 71 and 72 of the MFMA and section 12 of the 2012 DoRA, including the municipal manager and chief financial officer signing-off on the information sent to National Treasury;
2. Submission of the pre-audit Annual Financial Statements information to National Treasury; and
3. Accurate disclosure of grant performance in the pre-audit Annual Financial Statements.

When approving any rollover requests, National Treasury will use the latest conditional grant expenditure information available at the time, which in this instance is likely to be the disclosure of grant performance in the pre-audit Annual Financial Statements as at 31 August 2012.

5.6 Reporting and accounting for municipal approved conditional grant roll-overs

A municipality must report separately on the spending of conditional grant funds that are rolled over. National Treasury has provided a separate reporting template to facilitate this. This template must be submitted together with the normal template for reporting conditional grant spending for the current year. The template is available at the following link:

http://mfma.treasury.gov.za/Return_Forms/Pages/default.aspx

5.7 Project management costs and MIG

The Municipal Infrastructure Grant (MIG) framework in the 2012 Division of Revenue Bill provides that a maximum of five per cent may be used for project management costs that are directly related to infrastructure projects. Municipalities can therefore reflect a maximum of five per cent of the MIG allocation on their Budget Financial Performance (operational budget). This will be reflected on Table SA18 under Operating Transfer and Grants, and against 'Transfers recognised – operational' on Table A4. However, the expenditures to be funded from this five per cent must be directly related to the planning and management of infrastructure projects and be of such a nature that they would not normally be capitalised.

A minimum of 95 per cent of the MIG allocation ***must*** be appropriated on the municipality's capital budget (Table A5).

5.8 Budgeting for the EPWP Grant

The EPWP Grant has been reconfigured in the 2012/13 financial year to now be a schedule 6 grant. Municipalities are required to reflect the EPWP allocation in their budget because the gazetted amounts of the programme will flow directly to municipalities. The municipality should therefore budget for the grant in the same way as it budgets for all other conditional grants.

5.9 Municipal Disaster Grant

Section 8 of the 2012 Division of Revenue Bill provides for a schedule 8 type of grant. The purpose of this grant is to enable government to respond immediately to any disasters. The allocation for this grant will be managed by the National Disaster Management Centre in the Department of Co-operative Governance. After a disaster is declared funds can now be transferred to municipalities without the need to *Gazette* the transfers beforehand.

5.10 Budgeting for Schedule 7 grants – allocations in-kind

Schedule 7 of the Division of Revenue Act sets out the national allocations-in-kind to municipalities for designated special programmes. The national departments managing these programmes can do so in three different ways:

1. The national department may choose to transfer some of the funds to the municipality to spend on designated projects. This must be done in terms of an agency agreement. If the designated project involves current/operating expenditure then the funds must be reflected on Table A4 under 'agency services'. If the designated project involves the building of municipal infrastructure then the funds must be reflected on Table A4 as 'contributions recognised - capital', and on Table A5 as 'public contributions and grants'. The spending is reflected on the municipality's capital budget and the assets created would be capitalised as normal.
2. The national department spend the funds within the municipality's area, but ownership of the assets does not get transferred to the municipality. For instance the INEP funds could be transferred to Eskom, and Eskom retains ownership of the assets. And the assets created with the regional bulk infrastructure grant could be transferred to a water board.
3. The national department can spend the funds on infrastructure projects which they manage directly. They can then enter into an agreement the municipality to transfer the assets to the municipality. The receipt of the assets is reflected on Table A4 'contributed assets', and is capitalised directly (not via the municipality's capital budget). The recognition of 'contributed assets' is especially useful in understanding the future maintenance obligations a municipality is accepting.

Each municipality that is a beneficiary of a Schedule 7 allocation-in-kind should contact the relevant national transferring officer in the responsible nation department to find out from them how they intend managing the use of these allocations, and whether they intend the municipality to take ownership of the resultant assets, and therefore have to budget for the related operational costs.

6 The Municipal Budget and Reporting Regulations

National Treasury has released Version 2.4 of Schedule A1 (the Excel Formats). This version incorporates substantial changes (see Annexure A). Therefore ALL municipalities MUST use this version for the preparation of their 2012/13 Budget and MTREF to be tabled on 31 March 2012.

Download Version 2.4 of Schedule A1 by clicking HERE

The Municipal Budget and Reporting Regulations are designed to achieve a range of objectives, including improving the local government sphere's ability to deliver services by facilitating improved financial sustainability and better medium term planning. The regulations, formats and associated guides etc. are available on National Treasury's website at:

http://mfma.treasury.gov.za/RegulationsandGazettes/Pages/default.aspx

6.1 Assistance with the compilation of budgets

If you require advice with the compilation of your budgets, the budget documents or Schedule A1 please direct your enquiries as follows:

Municipalities in…	Responsible NT officials	Tel. No.	Email
Eastern Cape	Thulani Mandiriza Ansie Myburgh	012-395 6640 012-315 5173	Thulani.Mandiriza@treasury.gov.za Ansie.Myburgh@treasury.gov.za
Free State	Vincent Malepa Kgomotso Mokienie	012-315 5539 012-315 5866	Vincent.Malepa@treasury.gov.za Kgomotso.Mokienie@treasury.gov.za
Gauteng	Nozipho Molikoe Nonhlanhla Motaung	012-395 5662 012-315 6051	Nozipho.Molikoe@treasury.gov.za Nonhlanhla.Motaung@treasury.gov.za
KwaZulu-Natal	Kavitha Ruplal Johan Botha	012-315 5700 012-315 5171	Kavitha.Ruplal@treasury.gov.za Johan.Botha@treasury.gov.za
Limpopo	Bernard Mokgabodi Sifiso Mabaso	012-315 5936 012-315 5952	Bernard.Mokgabodi@treasury.gov.za Sifiso.Mabaso@treasury.gov.za
Mpumalanga	Jordan Maja Anthony Moseki	012-315 5663 012-315 5174	Jordan.Maja@treasury.gov.za Anthony.Moseki@treasury.gov.za
Northern Cape	Marli J van Rensburg Yusuf Mayet	012-315 5303 012-315 5015	Marli.Jansenvanrensburg@treasury.gov.za Yusuf.Mayet@treasury.gov.za
North West	Willem Voigt Sadesh Ramjathan	012-315 5830 012-315 5101	Willem.Voigt@treasury.gov.za Sadesh.Ramjathan@treasury.gov.za
Western Cape	Vuyo Mbunge Kevin Bell Sonwabise Lupiwana	012-315 5661 012-315 5725	Vuyo.Mbunge@treasury.gov.za Kevin.Bell@treasury.gov.za Sonwabise.Lupiwana@treasury.gov.za
Technical issues with Excel formats	Ilze Baron Conrad Barberton	012-395 6742 012-315 5117	Ilze.Baron@treasury.gov.za Conrad.Barberton@treasury.gov.za

6.2 Budget compliance and benchmarking processes

National Treasury and the provincial treasuries will again assess all the municipalities' tabled budgets against the Compliance Checklist. Where there is substantial non-compliance municipalities will be required to re-table their budgets in council, otherwise municipalities will be expected to make the necessary improvements prior to tabling the budget for approval by 1 June 2012.

In addition, the National Treasury and provincial treasuries will be conducting benchmark budget hearings on the municipalities' tabled budgets during April and early May 2012 to assess whether the budgets are realistic, sustainable and relevant, and the extent to which they are funded in accordance with the requirements of the MFMA. In this regard, National Treasury will communicate further with the non-delegated municipalities, while the provincial treasuries will communicate with their respective delegated municipalities.

6.3 Certification that budget is correctly captured

Once the municipal council has adopted the municipal budget in the format of Schedule A the relevant portions of the budgets reflected in Tables A1 to A10 need to be captured on the municipality's financial system so that the municipality can manage its revenue and expenditure against the adopted budget. It has come to National Treasury's attention that many municipalities do not capture their adopted budgets on their financial system, and even those that do, do not 'lock' the adopted budget – meaning that the budget reflected on the system can be changed at any time without following due process.

To eliminate this bad practice, National Treasury hereby requests the accounting officer of each municipality in terms of the section 74 of the MFMA to provide a signed certificate by no later than 15 July 2012 certifying that:

1. The adopted annual budget has been captured on the municipality's financial system, and that there is 100 per cent agreement between the budget on the system and the budget adopted by council;
2. That the adopted annual budget on the municipality's financial system is locked; and
3. That the municipality has in place controls to ensure that the budget captured on the financial system can only be changed in accordance with:
    a. a virement authorised by the municipal manager, or duly delegate official, in terms of a council approved virements policy; and
    b. an Adjustments Budget approved by council.

A template of the certificate is available on National Treasury' website at:
http://mfma.treasury.gov.za/Return_Forms/Pages/default.aspx

7 Budget process and submissions for the 2012/13 MTREF

Over the past number of years there have been significant improvements in municipal budget processes. Municipalities are encouraged to continue their efforts to improve their budget processes based on the guidance provided in MFMA Circulars 10, 19, 28 and 31 as well as the new regulations.

Once more, municipalities are reminded that the IDP review process and the budget process should be combined into a single process.

7.1 Submitting budget documentation and schedules for 2012/13

To facilitate oversight of compliance with Municipal Budget and Reporting Regulations, accounting officers are reminded that:

- Section 22(b)(i) of the MFMA requires that ***immediately*** after an annual budget is tabled in a municipal council it must be submitted to the National Treasury and the relevant provincial treasury in both printed and electronic formats. The deadline for such submissions is Tuesday, **10 April 2012**.
- Section 24(3) of the MFMA, read together with regulation 20(1), requires that the approved annual budget must be submitted ***within ten working days*** after the council has approved the annual budget. So if the council only approves the annual budget on 30 June 2010, the final date for such a submission is Thursday, **13 July 2012**, otherwise an earlier date applies.

The municipal manager must submit:

- the budget documentation as set out in Schedule A of the Municipal Budget and Reporting Regulations, including the main Tables (A1 - A10) and all the supporting tables (SA1 – SA37) and prescribed minimum narrative information in both printed and electronic format; and
- the draft service delivery and budget implementation plan in both printed and electronic format; and
- in the case of approved budgets, the council resolution.

Municipalities are required to send electronic versions to lgdocuments@treasury.gov.za.

In the event that the file size exceeds 4 MB then please send it to lgbigfiles@gmail.com.

Municipalities are required to send printed submissions of their budget documents and council resolution to:

For couriered documents	For posted documents
Ms Linda Kruger	Ms Linda Kruger
National Treasury	National Treasury
40 Church Square	Private Bag X115
Pretoria, 0002	Pretoria, 0001

After receiving tabled budgets, National Treasury and provincial treasuries will complete a compliance checklist. This checklist will indicate the level of compliance to the Municipal Budget and Reporting Regulations. A copy of the checklist will be sent to the municipality in order to facilitate improvements in the quality of tabled and approved budgets. Please review the municipality's performance last year, and ensure that the gaps are addressed.

7.2 Budget reform returns to the Local Government Database for publication

For publication purposes, municipalities are still required to use the Budget Reform Returns to upload budget and monthly expenditure to the National Treasury Local Government Database. *The old formats may not be used to submit 2012/13 budget information*. All municipalities must migrate to using the aligned version of the electronic returns. All returns are to be sent to lgdatabase@treasury.gov.za.

Returns for the 2012/13 budget must be submitted to the Local Government Database by **20 *July 2012***.

The new aligned electronic returns may be downloaded from National Treasury's website at the following link: http://mfma.treasury.gov.za/Return_Forms/Pages/default.aspx.

7.3 Publication of budgets on municipal websites

In terms of section 75 of the MFMA all municipalities are required to publish their tabled budgets, adopted budgets, annual reports (containing audited annual financial statements) and other relevant information on the municipality's website. This will aid in promoting public accountability and good governance.

All relevant documents mentioned in this circular are available on the National Treasury website, http://mfma.treasury.gov.za/Pages/Default.aspx. Municipalities are encouraged to visit it regularly as documents are regularly added / updated on the website.

7.4 Publication of municipal budgets on National Treasuries website

National Treasury publishes all the approved municipal budgets on its website. However, before publishing National Treasury verifies the correctness of the information submitted by municipalities by comparing the following three sources of information:

1. The Approved Budget, which is the municipality's budget in the format of Schedule A as approved by council (hard copy).

2. Schedule A1, which is the electronic version of the budget Tables A1 to A10, and supporting tables.
3. The Database budgets, which is the municipal budget generated from the information the municipality submits in the Budget Reform Returns.

The information in the Schedule A1 and the Database budget returns MUST reconcile with the Approved Budget as this is the budget that council has adopted and is therefore the legal basis for all revenue collection and expenditure activities within the municipality. In 2011/12, National Treasury confirmed that 118 municipal budgets were properly aligned when the information was published on National Treasury's website.

This process of ensuring these three sources of budget information reconcile is referred to as the Budget Verification Process. Municipalities must ensure that all these three sources of information are aligned upon finalising their budgets, and when submitting their budget information to the provincial treasuries and National Treasury. The provincial treasuries and National Treasury will again check for this alignment before publishing the municipal budgets in November 2012.

Contact

national treasury
Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Post ***Private Bag X115, Pretoria 0001***
Phone ***012 315 5009***
Fax ***012 395 6553***

Email – General ***mfma@treasury.gov.za***
Website ***www.treasury.gov.za/legislation/mfma***

JH Hattingh
Chief Director: Local Government Budget Analysis
16 March 2012

Annexure A – Changes to Schedule A1 – the 'Excel formats'

As noted above, National Treasury has released Version 2.4 of Schedule A1 (the Excel Formats). It incorporates the following changes:

No.	Sheet	Amendment	Reason
1	Org. structure	Sheet appearance has been aligned to that of the 'Instructions' and 'Start pages'. Vote and sub-vote structures have been linked to A3A and A5A, based on the selected votes and sub-votes on the 'Org structure' page.	Facilitate easier completion of sheets
2	A5A	Under the 'multi-year capital' section, the budget columns have been modified to simplify the completion of multi-year allocations	See paragraph 4.2 above
3	A8	Calculation of 'other working capital' has been modified.	Correction
4	SA1	Ten lines have been added to accommodate 'other revenue'	Correction
5	SA1	List of remuneration categories has been standardized (see also SA22)	To align with the draft SCOA
6	SA1	Detail on 'depreciation and asset impairment' has been extended to include 'depreciation resulting from revaluation of PPE'	See paragraph 4.3 above
7	SA1	Detail on 'transfers and grant' has been added to reflect cash and non-cash transfers on grants. This detail is linked to a similar change on SA21	See paragraph 6.8 above
8	SA3	The following Reserves have been deleted: (1) Capitalisation, (2) Government Grant and (3) Public contributions and donations.	Correction to align with GRAP
9	SA8	The following indicators have been deleted: (1) Borrowing to Asset ratio, (2) Debt to Equity ratio and (3) Provisions not Funded	They are not useful or misleading when it comes to analyzing municipal finances.
10	SA8	The following indicators have been added: (1) Capital Charges to Own Revenue and (2) Creditors to Cash and Investments.	These indicators are useful when it comes to analyzing municipal finances.
11	SA9	Income categories based on the Statistics SA Household Survey and Census 2011 have been inserted, as well as an indicative poverty line.	The aim is to align this information with Stats SA data, which should be the main source municipalities use for this information. The indicative poverty line is to start the process of ensuring indigents policies move from the same basis.
12	SA9	There is a new section providing detail to Table A10 on service delivery as follows: • Total Municipal Services, • Municipal In-House Services, • Municipal Entity Services; and • Services Provided by External Mechanisms.	See paragraph 6.10 above.
13	SA12&13	SA12&13 have been split into three separate sheets as follows: (1) SA12a - Property Rates by category for the current year. (2) SA12b - Property rates by category for the budget year. (3) SA13 - Service Tariffs by category	To facilitate the collection of consistent information on municipal rates and domestic tariffs.
14	SA14	References have been amended to provide quantitative indicators of the different household profiles.	To ensure the sample household bills are consistent across all municipalities.

No.	Sheet	Amendment	Reason
15	SA16	Additional columns have been added.	To gather information required in terms of the Municipal Investment Regulations.
16	SA17	An additional section has been added below the original table to facilitate more detailed reporting on 'Unspent Borrowing', as reported on A8 (linked)	To gather information related to the rollover and offsetting on unspent conditional grant funds.
17	SA21	Cash and non-cash transfers have been separated on SA21, and linked to SA1	See paragraph 6.8 above
18	SA22	List of remuneration categories has been standardized (see also SA1)	To align with the draft SCOA
19	SA30	Line items have been aligned to terminology used in A6 and A7	Correction
20	SA34b and SA34c	Ratios shown on A9 and MFMA Circular 55 added to SA34b and c, as appropriate.	To facilitate analysis of budgeting for renewal and repairs and maintenance
21	SA34d	SA34d, Depreciation by Asset Class has been inserted.	To facilitate detailed analysis of budgeting for renewal and repairs and maintenance by asset class over a period of time.
22	SA36	An additional column has been added.	To monitor compliance with MFMA section 19(1)(b) and MBRR Regulation 13, concerning the appropriation of funds to new individual projects during the financial year.
23	SA36 & SA37	(1) An additional column has been added where municipalities will be required to enter GPS co-ordinates (correct to seconds) for all listed projects. (2) Drop-down boxes have been added to facilitate the completion of Asset classes and sub-classes	Facilitate monitoring and tracking

Western Cape Government

Provincial Treasury

WITZENBERG MUNICIPALITY

2012/13 MTREF BUDGET
LG MTEC 3 ASSESSMENT REPORT

APRIL/MAY 2012

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GLOSSARY

Accrual an accounting convention by which payment and receipts are recorded as they occur, even if no cash flow takes place.

Adjustments estimate means presentation to council of the amendments to be made to the appropriations voted in the main budget for the year.

Budget means a documented source of information on anticipated income and expenditure over a specific period of time.

Capital expenditure means expenditure on assets such as buildings, land, infrastructure and equipment.

Credibility means the municipality can execute and deliver on this budget realistic/ability to spend.

Current expenditure means government expenditure on goods and services, such as salaries, rent, and maintenance and interest payments.

Division of revenue means the allocation of funds between spheres of government, as required by the constitution.

Equitable share means the allocation of revenue to the national, provincial and local spheres of government as required by the constitution.

Liquidity refers to the degree of availability of cash, or the ease with which assets can be turned into cash to meet immediate financial needs.

Medium Term Expenditure Committee (MTEC) means the technical committee responsible for the evaluating of the MTEF budget submissions of municipalities and making recommendations to the municipal councils of the Provincial Cabinet regarding outcomes of the assessments.

Medium Term Revenue and Expenditure Framework (MTREF) means the three year spending plans of national, provincial and local governments, published at the time of the budget.

Municipal tariff means a tariff for services which a municipality may set for the provision of a service to the local municipality, and include a surcharge on such tariff.

Responsiveness means the extent to which the strategic direction, planning and implementation take into account the impact of the socio-economic reality of the municipality on its residents.

Sustainability means the municipality has sufficient revenue and adequate corporate stability to fund and deliver on its budget.

Worthwhileness means value for money or time or effort spent.

SECTION 1: INTRODUCTION AND PURPOSE OF THE LG MTEC ASSESSMENT

The Municipal Finance Management Act (section 22) requires the Accounting Officer (Municipal Manager) to submit the draft budget to, amongst others, the Provincial Treasury immediately after tabling the draft budget in Council. In turn, the Provincial Treasury must provide views and comments on the draft budget and any budget-related policies and documentation, which must then be considered by Council when tabling the annual budget (section 23). The LG MTEC 3 engagements have been designed to give effect to these legislative requirements.

This assessment report encapsulates our comments on the draft 2012/13 MTREF Budget of your Municipality. Observations are made from the available documentation and it is envisaged that the planned engagement would contextualise your municipality's challenges and responses as taken up in the draft Budget, IDP, LED and various other strategies and plans.

In preparing this report, the Provincial Government has developed a framework for considering the draft municipal 2012/13 MTREF Budgets. This assessment report of the table budget is mainly focused on the following key areas:

- Conformance/Compliance Review with the Municipal Budget Reporting Regulations (MBRR);
- Previous unresolved LG MTEC 3 Issues;
- Performance Assessment of the previous and current budget based on the Annual Report, SDBIP and the Mid-year report;
- Assessment of the draft IDP, Budget and its Worthwhileness; and
- A test on the Credibility and Sustainability of the budget which aims to determine whether the municipality can execute and deliver on this budget and if it is a realistic budget.

The Provincial Treasury is using the MBRR A-Schedules and the budget documentation submitted by the Municipality as the primary source for the analysis and information contained in the assessment report and accordingly the quality of the report depends on the credibility of the information contained in the documents submitted by the municipalities.

The Provincial Treasury will meet with the executives of your Municipality on 9 May 2012 where the key findings and recommendations as per this report will be presented and deliberated upon.

SECTION 2: EXECUTIVE SUMMARY

An overview of the detailed assessment had been prepared to provide the executives of the Municipality with a synopsis from each of the main sections of the report.

a) **Compliance Assessment**

The assessment results indicate that the Municipality's budget has been prepared in the required format, all the required tables had been completed, with the exception of a number of supporting tables, and the relevant main and supporting schedules are balancing with each other. The budget had been tabled in council after the legislated timeframe. The budget documentation is complete which includes the council resolution and the quality certificate.

b) **Previous LG MTEC Findings**

The In-Year Monitoring reports and quarterly engagements with the Municipality indicate that the Municipality had addressed almost all of the previous LG MTEC findings.

c) **Responsiveness and Performance Assessment**

Witzenberg Municipality's planning and strategies are aligned within in the Municipal and broader Provincial context. The Municipality has identified six priority areas which have clearly been aligned to the draft budget. The Municipality has also been able to clearly capture the need as expressed by the communities through the ward meetings.

The provision of social services receives priority in the draft budget, both in capital and operating spending. Infrastructure provision aims to facilitate economic growth and the extension of social services and have been allocated the bulk of the funding in both in the capital and operating budgets over the 2012/13 MTREF.

d) **Credibility and Sustainability**

The revenue and expenditure budgets appear credible and realistic.

e) **Conclusion**

The Provincial Treasury had considered the assessment results of the Municipality's budget and based on the list key findings the budget is considered to be a fair presentation of a credible budget. However, the overall cash flow planning/position is of concern and diminishes the credibility and sustainability of the budget.

The Municipality is requested to implement the recommendations made in the report and table this report in council with the final budget.

SECTION 3: CONFORMANCE/COMPLIANCE REVIEW

The annual budget of the Witzenberg Municipality was prepared in the required formats as prescribed by the Municipal Budget and Reporting Regulations and related legislation. In addition, the Municipality also incorporated the guidelines issued by the National Treasury outlined in MFMA Circular 59 – Municipal Budget Circular for the 2012/13 MTREF. It was noted that the annual budget of the Municipality was tabled before the Council on 3 April 2012, which is after the legislated due date as prescribed by section 16 of the MFMA, as there was no quorum. Subsequently, a non-compliance letter was issued to the Municipality. With regard to the completion of certain schedules, it has been noted that the Municipality has not populated the 2008/09 to 2010/11 audit figures as required.

The quality certificate as included with the budget submission on 4 April 2012 was not signed by the Municipal Manager but submitted to Provincial Treasury on the 5 April 2012.

The Compliance Review Checklist **(refer to Annexures A, B and C)** furthermore indicated that the Municipality completed most of the supporting tables for the 2012/13 draft budget except for the following:

Supporting Tables:

SA11: Property rates summary

SA12a: Property rates by category

SA12b: Property rates

SA13: Service tariff by category

SA17 to SA20: All related schedules

SA30: Budgeted monthly cash flow

SA32: List of external mechanisms

SA33: Contracts having future budgetary implications

SA34a, c, d: All related schedules

SA35 to SA37: All related schedules

The Municipality is encouraged to complete these tables and table it together with the final budget for adoption by council.

SECTION 4: PREVIOUS LG MTEC FINDINGS

Table 1 provides a summary of the previous LG MTEC findings, the response from the Municipality and the progress to date.

Table 1: Summary of 2011 LG MTEC findings and progress to date

Area	Finding	Action required	Progress
Public participation	Low levels of public participation.	Local government to assist with establishment of ward committees.	Ward committees were established by LG.
LED	The Municipality embarked on its own LED/Poverty Relief initiatives with other institutions due to a lack of funding for LED projects.	Municipality to submit details of LED & Poverty Relief initiatives to PT.	Details of LED/ Poverty Relief Projects was submitted to PT.

Source: MTEC findings 2011/12

SECTION 5: RESPONSIVENESS: PERFORMANCE ASSESSMENT AND ASSESSMENT OF THE DRAFT IDP & BUDGET AND ITS WORTHWHILENESS

5.1 Socio-economic reality

According to Statistics South Africa's 2007 Community Survey, Witzenberg's population was estimated at 75 152 persons comprising of 24 410 households in 2007.

The Municipality has included socio-economic information in its draft IDP. The bulk of the information is assumed to be drawn from Global Insight, which is based on Statistics South Africa's 2001 Census and 2007 Community Survey information.

Table 2: Access to Basic Service Delivery

% share of households	2001	2007
Formal dwellings	84.4	70.1
Informal dwellings	8.6	7.8
Electricity	84.8	90.8
Flush toilets	83.4	91.0
Water (piped water)	98.9	92.7
Refuse removal	61.8	51.1

Source: Statistics SA, Census 2001 & Community Survey 2007

Between 2001 and 2007, access to basic services in the Witzenberg municipal area has generally improved, with the exception of formal dwellings and refuses removal which has regressed, as can be noted from the information in Table 2 above.

The Witzenberg Municipality accounted for 9.2 per cent of the Cape Winelands regional economy, making it the smallest economy in the Cape Winelands District in 2009. Witzenberg's regional gross value added (GVA-R) increased from R1.621 billion in 2001 to R1.978 billion in 2009, at an annual average growth rate of 2.5 per cent over the nine-year period.

The three largest sectors contributors to the Witzenberg's GVA-R in 2009 are agriculture (23.8%), finance (20.4%) and manufacturing (18%).

The unemployment rate declined from 19.6 per cent in 2001 to a 7.6 per cent in 2007. At the same time, the proportion of households earning between R0 to R42 000 per annum decreased from 58.8 to 32.1 per cent of all households.

5.2 Budget & IDP Review Process

Public participation in municipal governance is a prerequisite, especially in the planning, budgeting and implementation of projects and programmes. The draft IDP makes particular reference to the importance of public participation processes in the IDP review and in municipal planning.

Witzenberg Municipality has a detailed comprehensive summary from the different ward engagements. This makes it easy to identify the needs of the community under the different work areas of the Municipality.

The Municipality has aligned its priority areas with that of Provincial Government (the Western Cape Growth and Development Strategy and the Local Government Turn Around Strategy) and National Government (the 12 National Key Performance Indicators), as well as international targets as set by the United Nations' Millennium Development Goals.

5.3 Service Delivery Performance and Implementation

Table 3: Service Delivery Performance

WC022 Witzenberg - Table A10 Basic service delivery measurement

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Household service targets	1									
Water:										
Piped water inside dwelling		Not available	Not available	Not available	Not available	Not available		Not available	Not available	Not available
Piped water inside yard (but not in dwelling)		9 911	10 701	10 835	10 845	10 845	10 845	10 845	10 845	10 845
Using public tap (at least min.service level)	2	1 500	1 686	1 691	1 691	1 691		1 691	1 691	1 691
Other water supply (at least min.service level)	4					–	–			–
Minimum Service Level and Above sub-total		11 411	12 387	12 526	12 536	12 536	10 845	12 536	12 536	12 536
Using public tap (< min.service level)	3						–			–
Other water supply (< min.service level)	4						–			–
No water supply							–			–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	11 411	12 387	12 526	12 536	12 536	10 845	12 536	12 536	12 536
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		9 538	10 220	10 296	10 300	10 300	10 300	10 300	10 300	10 300
Flush toilet (with septic tank)		763	736	735	730	730	730	730	730	730
Chemical toilet		1 500	1 686	1 691	1 691	1 691	1 691	1 691	1 691	1 691
Pit toilet (ventilated)						–	–			–
Other toilet provisions (> min.service level)						–	–			–
		11 801	12 642	12 722	12 721	12 721	12 721	12 721	12 721	12 721
Bucket toilet							–			–
Other toilet provisions (< min.service level)							–			–
No toilet provisions							–			–
		–	–	–	–	–	–	–	–	–
	Total number of households	11 801	12 642	12 722	12 721	12 721	12 721	12 721	12 721	12 721
Energy:										
Electricity (at least min.service level)		1 860	1 849	1 768	1 769	1 769	1 769	1 769	1 769	1 769
Electricity - prepaid (min.service level)		8 063	8 757	8 855	8 856	8 856	8 856	8 856	8 856	8 856
		9 923	10 606	10 623	10 625	10 625	10 625	10 625	10 625	10 625
Electricity (< min.service level)							–			–
Electricity - prepaid (< min. service level)		1 488	2 190	2 190	2 408	2 408	2 408	2 408	2 408	2 408
Other energy sources							–			–
		1 488	2 190	2 190	2 408	2 408	2 408	2 408	2 408	2 408
	Total number of households	11 411	12 796	12 813	13 033	13 033	13 033	13 033	13 033	13 033
Refuse:										
Removed at least once a week		9 538	10 911	11 057	11 067	11 067	11 067	11 077	11 087	11 087
		9 538	10 911	11 057	11 067	11 067	11 067	11 077	11 087	11 087
Removed less frequently than once a week							–			–
Using communal refuse dump							–			–
Using own refuse dump							–			–
Other rubbish disposal							–			–
No rubbish disposal							–			–
		–	–	–	–	–	–	–	–	–
	Total number of households	9 538	10 911	11 057	11 067	11 067	11 067	11 077	11 087	11 087
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		2 259	2 361	3 300	3 465	3 465	3 465	3 638	3 820	3 820
Sanitation (free minimum level service)		2 052	2 142	3 300	3 465	3 465	3 465	3 638	3 820	3 820
Electricity/other energy (50kwh per household per month)		2 259	2 361	3 300	3 465	3 465	3 465	3 638	3 820	3 820
Refuse (removed at least once a week)		2 052	2 142	3 300	3 465	3 465	3 465	3 638	3 820	3 820
Cost of Free Basic Services provided (R'000)	8						–			–
Water (6 kilolitres per household per month)		1 271	1 871	3 900	3 026	3 026	3 026	3 754	4 094	4 094
Sanitation (free sanitation service)		1 970	2 898	4 000	5 257	5 257	5 257	5 744	6 265	6 265
Electricity/other energy (50kwh per household per month)		587	864	1 600	1 465	1 465	1 465	1 749	1 927	1 927
Refuse (removed once a week)		2 152	3 166	5 200	5 606	5 606	5 606	6 126	6 685	6 685
Total cost of FBS provided (minimum social package)		5 980	8 800	14 700	15 353	15 353	15 353	17 373	18 971	18 971
Highest level of free service provided										
Property rates (R value threshold)		15 000	70 000	70 000	70 000	70 000	70 000	70 000	70 000	70 000
Water (kilolitres per household per month)		6	6	6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)		NA	NA	NA	NA	NA	NA	NA	NA	NA
Sanitation (Rand per household per month)		116	122	122	125	125	125	130	136	136
Electricity (kwh per household per month)		50	50	50	50	50	50	50	50	50
Refuse (average litres per week)		120	120	120	134	134	134	140	145	145
Revenue cost of free services provided (R'000)	9									
Property rates (R15 000 threshold rebate)		NA	NA	NA	NA	NA	NA	NA	NA	NA
Property rates (other exemptions, reductions and rebates)		–	1 210	2 341	2 464	2 464	2 464	2 727	2 977	2 977
Water		1 780	1 944	3 900	3 026	3 026	3 026	3 754	4 094	4 094
Sanitation		2 503	2 937	4 000	5 257	5 257	5 257	5 744	6 265	6 265
Electricity/other energy		675	911	1 600	1 465	1 465	1 465	1 749	1 927	1 927
Refuse		2 693	3 128	5 200	5 606	5 606	5 606	6 126	6 685	6 685
Municipal Housing - rental rebates		–	204	311	331	331	331	347	364	364
Housing - top structure subsidies	6			–	–	–	–	–		–
Other		–	406	406	294	294	294	244	262	262
Total revenue cost of free services provided (total social package)		7 652	10 741	17 758	18 442	18 442	18 442	20 691	22 574	22 574

Table 3 (A10) above outlines the following for the 2012/13 financial year with respect to:

- The total number of households (HH) for each service:
  - Water: 12 536 HH have requisite access (minimum and above) and nil HH access below the minimum level out of 12 536 HH.
  - Sanitation: 12 721 HH have requisite access (minimum and above) and nil HH have access below the minimum level out of 12 721 HH.
  - Energy: 10 625 HH have requisite access (minimum and above) and 2 408 HH have access below the minimum level out of 13 033 HH.
  - Refuse: 11 067 HH have requisite access (minimum and above) and nil HH have access below the minimum level out of 11 067 HH.
- The municipality's current free basic services package to indigent households includes 6 kl water, R125 subsidy for sanitation, 50 kWh electricity, and 134 litres of refuse per week and in addition exemption/rebate on first R70 000 of property value. The subsidy for sanitation and refuse removal is set to increase to R130 per month and 140 litres of refuse per week in 2012/13.

5.4 Previous & Current Budget: Performance Review of the Municipality

Democratic accountability and responsive to the needs of the people

The Municipality reported on an efficiently functioning ward system in the 2010/11 financial year. There was also marked improvement (984 compared with 495 in 2009/10 in the number of attendees at the engagements with wards for inputs into the IDP. The IDP/Budget Process Plan and schedule of community participation meetings are well documented in the Annual Report.

The Municipality applied a range of communication strategies to raise awareness about the public participation meetings. These achieved varying levels of success, measured by the level of attendance per engagement which fluctuated from as low as 4 and 7 in Ward 12 to as high as 146 in Ward 4.

Basic Services

Water

Table 4 below provides the number of households that have access to clean piped water with agreed service standards.

Table 4: Water – Performance: Planned versus Actual delivery

Priority	2010/11		2011/12			
	Annual Report		SDBIP Q1		SDBIP Q2	
	Target	Actual	Target	Actual	Target	Actual
Households with agreed service standards -						
Formal areas	100%	100%	15 491	15 491	15 491	15 491
Informal areas	100%	100%	1 691	1 691	1 691	1 691
New connections			20	31	20	31
Water quality – Percentage SANS quality (Blue Drop)	100%	97.5%				

Access to Water

Witzenberg demonstrates good performance in both the outputs of the annual and mid-year performance. It is reported that all households in formal and informal areas have access to clean piped water with agreed service standards. The municipality also met its targets in terms of water connections.

Water quality

Witzenberg is breaking new ground in the quality management of drinking water and sewerage systems. Witzenberg Municipality was awarded 5 prestigious "Blue Drop" awards for the drinking water systems located in Ceres, Wolseley, Tulbagh, Prince Alfred Hamlet and Op-die-Berg as well as a "Green Drop" award for the Ceres Sewerage Plant and a runner up award in the "Green Drop" Women's Award category.

The technical team of the municipality also received a coveted placement in the National Top Ten for the "Green Drop" and "Blue Drop" categories, placing third place with a drinking water quality level of 97.56 per cent and placing sixth place with a sewerage quality level of 89.7 per cent. Witzenberg competed against more than 150 municipalities nationwide to attain this achievement.

Refuse Removal

Table 5 below provides the percentage number of households that have access to refuse removal**.**

Table 5: Refuse removal – Performance: Planned versus Actual delivery

Priority	2010/11		2011/12			
	Annual Report		SDBIP Q1		SDBIP Q2	
	Target	Actual	Target	Actual	Target	Actual
Access to refuse removal						
Formal areas	100%	100%	15 491	15 491	15 491	15 491
Informal areas	100%	100%	1 492	1 492	1 492	1 492

Access to Refuse Removal

The 2010/11 Annual Report and 2011/12 Mid-year Report[1] indicate that refuse removal services is provided to all formal and informal households.

Sanitation

Table 6 below provides the percentage number of households that have access to sanitation**.**

Table 6: Sanitation – Performance: Planned versus Actual delivery

Priority	2010/11		2011/12			
	Annual Report		SDBIP Q1		SDBIP Q2	
	Target	Actual	Target	Actual	Target	Actual
Households that meet agreed sanitation service standard (at least VIP on site)						
Formal areas	100%	100%	14 591	15 491	14 591	15 491
Informal areas	100%	100%	1 691	1 691	1 691	1 691
New connections						
Wastewater discharge quality (SANS?)-Percentage	40.00%	96.85	90%	89%	90%	89%

Access to Sanitation

The 2010/11 Annual Report and 2011/12 Mid-year Report indicate that all households in formal and informal households have access to sanitation.

Waste Water Quality

The municipality qualified for the green drop status, thus they achieved 96.85 per cent in 2010/11 and 89 per cent in 2011/12.

[1] Witzenberg Annual Report 2010/11, page 73.

Electricity

Table 7: Electricity – Performance: Planned versus Actual delivery

Priority	2010/11		2011/12			
	Annual Report		SDBIP Q1		SDBIP Q2	
	Target	Actual	Target	Actual	Target	Actual
Households with agreed service standards						
Formal areas	100%	100%	12 340	12 340	12 340	12 340
Informal areas	100%	100%	1 691	1 691	1 691	1 691
New connections	20	31				

The performance captured in the 2010/11 Annual Report and 2011/12 Mid-year reports indicate that all households in formal and informal areas have access to electricity with agreed service standards.

Housing

The 2010/11 Annual Report indicates that Witzenberg municipality has 7 247 people that are on the housing waiting list. A total of R21.825 million was allocated to build houses during the 2010/11 financial year. It was reported in the 2010/11 Annual Report that 793 houses were built.

Roads

In the 2010/11 financial year, 2.60 km existing tar roads re-tarred, 0.46 km of existing tar roads re-sheeted and 197.34 km tar roads maintained.

5.5 Responsiveness of draft budget

Table 8 depicts the proposed capital expenditure budget for the 2012/13 MTREF period of the Municipality. From the figures captured, it is clear that infrastructure development and housing accounts for the biggest share of the budget in the 2012/13 MTREF period.

Table 8: Medium Term Revenue and Expenditure Framework: Capital Budget

Strategic Objective	2012/13 Medium Term Revenue & Expenditure Framework			2012/13 Medium Term Revenue & Expenditure Framework		
R thousand	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Developing integrated and sustainable human settlement	68 515	45 785	26 609	94.7%	98.6%	87.9%
Financial Viability	–	–	–	0.0%	0.0%	0.0%
Good Governance	2 555	610	3 416	3.5%	1.3%	11.3%
Local Economic Development	1 315	–	–	1.8%	0.0%	0.0%
Social Development	–	–	250	0.0%	0.0%	0.8%
Strategic partnership	–	40	–	0.0%	0.1%	0.0%
Allocations to other priorities				0.0%	0.0%	0.0%
Total Capital Expenditure	72 385	46 435	30 275	100.0%	100.0%	100.0%

Source: Witzenberg Municipality, 2012/13 Draft Budget

The total capital expenditure amounts to R72.385 million, R46.435 million and R30.275 million for the respective years of the 2012/13 MTREF. The bulk of the 2012/13 capital budget relates to infrastructure development. Good Governance receives the second largest allocation over the MTREF. The proportion of the capital budget expenditure for these strategic objectives for the 2012/13 financial year is 94.7 per cent and 3.5 per cent respectively.

Within the total capital budget, trading services constitutes the bulk of capital investment over the MTREF, followed by economic and environmental services.

Table 9: Basic Services as prioritised in the Draft Capital Budget

Capital Expenditure								
Allocation	**2012/13**	**2013/14**	**2014/15**	**TOTAL MTREF**	**2012/13**	**2013/14**	**2014/15**	**TOTAL MTREF**
	R'000	**R'000**	**R'000**	**R'000**	**%**	**%**	**%**	**%**
Electricity	2 933	740	400	4 073	3.69	1.59	1.32	2.6
Water	24 202	22 961	6 846	54 009	30.49	49.45	22.61	34.6
Waste Water Management	12 023	5 824	6 920	24 767	15.15	12.54	22.86	15.9
Roads transport	18 404	8 171	6 652	33 227	23.18	17.60	21.97	21.3
Waste Management	21	22	850	893	0.03	0.05	2.81	0.6
Sports and Recreation	9 251	7 081	4 500	20 832	11.65	15.25	14.86	13.3
Public Safety	1 522	610	370	2 502	1.92	1.31	1.22	1.6
Other	11 029	1 026	3 737	15 792	13.89	2.21	12.34	10.1

Source: Table A5 Budget Financial Performance

In terms of the capital budget, the priority areas are water, road transport, waste water management and sports and recreation, being allocated 34.6 per cent, 21.3 per cent, 15.9 per cent and 13.3 per cent over the 2012/13 MTREF respectively. Electricity, public safety and waste management receive the smaller allocations 2.6 per cent, 1.6 per cent, and 0.6 per cent respectively.

Table 10: Medium Term Revenue and Expenditure Framework: Operating Budget

Strategic Objective	2012/13 Medium Term Revenue & Expenditure Framework			2012/13 Medium Term Revenue & Expenditure Framework		
R thousand	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Developing integrated and sustainable human settlement	259 643	301 177	338 227	74.6%	76.9%	78.1%
Financial Viability	29 819	29 483	31 133	8.6%	7.5%	7.2%
Good Governance	46 489	49 411	52 721	13.4%	12.6%	12.2%
Local Economic Development	1 663	1 685	1 806	0.5%	0.4%	0.4%
Social Development	4 990	4 368	2 714	1.4%	1.1%	0.6%
Strategic partnership	5 327	5 762	6 225	1.5%	1.5%	1.4%
Allocations to other priorities				0.0%	0.0%	0.0%
Total	347 930	391 886	432 825	100.0%	100.0%	100.0%

Source: Witzenberg Municipality, 2012/13 Draft Budget

The total operating expenditure amounts to R347.930 million, R391.886 million and R432.825 million for the respective years of the 2012/13 MTREF. The bulk of the 2012/13 operating budget relates to infrastructure development. Good governance receives the second largest allocation over the MTREF. The proportion of the operating budget expenditure for these strategic objectives for the 2012/13 financial year is 74.6 per cent and 14.2 per cent respectively.

Table 11: Basic Services as prioritised in the Draft Operating Budget

Allocation	2012/13	2013/14	2014/15	TOTAL MTREF	2012/13	2013/14	2014/15	TOTAL MTREF
	R'000	R'000	R'000	R'000	%	%	%	%
Electricity	135 045	162 885	193 338	491 268	38.81	41.56	44.67	41.89
Water	19 466	21 693	22 530	63 689	5.59	5.54	5.21	5.43
Waste Water Management	17 742	19 219	20 283	57 244	5.10	4.90	4.69	4.88
Roads transport	15 545	16 844	16 779	49 168	4.47	4.30	3.88	4.19
Waste Management	20 798	22 526	23 902	67 226	5.98	5.75	5.52	5.73
Housing	13 402	17 735	18 665	49 802	3.85	4.53	4.31	4.25
Community/Social	15 732	16 018	15 245	46 995	4.52	4.09	3.52	4.01
Sports and Recreation	19 452	20 897	22 120	62 469	5.59	5.33	5.11	5.33
Public Safety	8 054	8 667	9 088	25 809	2.31	2.21	2.10	2.20
Governance and Admin	74 051	76 171	80 956	231 178	21.28	19.44	18.70	19.71
Other	8 643	9 231	9 919	27 793	2.48	2.36	2.29	2.37
TOTAL	**347 930**	**391 886**	**432 825**	**1 172 641**	100.00	100.00	100.00	100.00

Source: Table A2 Budget Financial Performance

In terms of the operating budget, the priority areas are electricity, waste management, water, and sports and recreation being allocated; 41.9 per cent, 5.7 per cent, 5.4 per cent and 5.3 per cent respectively over the 2012/13 MTREF.

5.6 Economic Growth and Development

Spatial Development Framework

Witzenberg Municipality developed a Spatial Development Framework (SDF) in 2006. The SDF was approved by council and implemented, however it was not approved by Department of Environmental Affairs and Development Planning.

Witzenberg municipality identified the review and development of an updated SDF in 2009 but due to the lack of funds the review of the strategy only started in 2011. It is anticipated that the new SDF will only be adopted in council by mid-2012 after the approval of the 2012 - 2017 IDP.

Local Economic Development Strategy

The IDP review/Annual Plan indicates that the Municipality implemented numerous strategies towards poverty alleviation, and job creation through the LED strategy of the municipality. Witzenberg municipality developed the following initiatives that aim to encourage the growth, expansion and sustainability of the SMME sector:

- The municipality has successfully implemented the EPWP and an EPWP data capturer has been appointed to monitor EPWP job creation projects.
- Pilot project from COGTA created 300 jobs.
- 13 SMME qualified for seed funding.
- University of Stellenbosch rolled out 2 day training session for 10 established SMMEs.
- 19 local unemployed youth were trained in Agri-Tourism training.
- 27 youth from Tulbagh, Wolseley and Nduli were trained.
- 10 SMMEs included in NQF level 5 business training.
- 30 unemployed youth were employed in PA HAMLET WALK WAY project.
- 147 jobs were created through the EPWP.
- 277 jobs opportunities were created through Community Work Programme (CWP).

Growth Potential of Towns Study

The Growth Potential of Towns Study for towns in the Western Cape provides comparative information, inter alia, on the development potential as well as the social needs; it does so by a ranking system and comparing the towns within the Western Cape with each other. The study was done in 2004 and updated in 2010.

Table 12 highlights selected results from this study for towns within the Witzenberg region. The development potential of towns in the Witzenberg region is generally medium to very low; the social needs ranges from low to high.

Table 12: Comparison between the 2004 and 2010 development potential and social needs categories

Settlement	2010 Development potential category	2004 Development potential category	Difference in development potential category	2010 Social needs category	2004 Social needs category	Difference in social needs position
Ceres	Medium	Medium	0	Medium	Medium	0
Op-die-Berg	Very low	Very low	0	Low	Low	0
Prince Alfred Hamlet	Medium	Low	1	Medium	Medium	0
Tulbagh	Medium	Medium	0	High	High	0
Wolseley	Medium	Medium	0	High	High	0

Overall, across all towns in the Witzenberg municipal area, the development potential and social needs remained unchanged between 2004 and 2010. However, Prince Alfred Hamlet is the exception, given that its development potential improved by one category from low to medium.

Poverty alleviation/reduction

The Municipality reported a total of 3 759 indigents for the financial year 2010/11. Provision is made in the Municipality's operating budget for indigent relief for all households earning less than R3 000 per month. These include 50 units of electricity, 6 kilolitres water and a subsidy for sanitation and refuse removal.

The Community Work Programme (CWP) is one of the Municipality's initiatives to bridge the gap between the growth in the Winelands District and the large number of unskilled and unemployed people who have yet to fully enjoy the benefits of economic development in the area.

This form of motivation contributes directly to the eradication of poverty, reduction of unemployment and supplementing households' income. The number of CWP jobs created in 2010/11 was 370.

5.7 Worthwhileness of the Budget (value for money)

Witzenberg Municipality's planning and strategies are aligned within the Municipal and broader Provincial context.

The Municipality has identified six priority areas which have clearly been aligned to the draft budget. The Municipality has also been able to clearly capture the need as expressed by the communities through the ward meetings.

To ensure alignment to the National objectives of local government as reflected in Chapter 7 of the Constitution, Act 108 of 1996 Section 152(1), six key performance areas have been identified by the municipality, namely:

- Developing integrated and sustainable human settlement
- Financial viability
- Good governance
- Local economic development
- Social development
- Strategic partnership

The Municipality has also been able to clearly capture the need as expressed by the communities through the ward meetings.

The importance of service provision is clearly seen in the draft budget, both in capital and operating spending. Infrastructure provision and services provided receive the bulk of the funding in both in the capital and operating budgets over the 2012/13 MTREF.

5.8 Key Issues and Recommendations for Responsiveness

Indicate linkages to other sections

The economy has shown moderate growth between 2001 and 2009, growing at an annual average rate of 2.5 per cent from R1.621 billion in 2001 to R1.978 billion in 2009, which is positive for revenue for the municipality.

The municipality has performed well with respect to delivery social (basic) services to its residents.

Lack of funding for SMMEs impact negatively on the municipality's LED initiatives.

Unemployment is on declining trend, declining from 19.6 per cent in 2001 to a 7.6 per cent in 2007. This is positive for the ability of households/individuals to pay for services and the overall sustainability of the town.

SECTION 6: CREDIBILITY AND SUSTAINABILITY

6.1 Total Budget Overview

Table 13: Summary Overview

Table 1: Summary of 2012/13 operating and capital budgets											
Description	2008/09	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework			Av Budget (2011/12 - 2014/15)	Av % Growth in Budget (2011/12 - 2012/13)
				(February 2012 IYM report)							
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Actual YTD	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15		
Total Operating Revenue (Excl. Capital Transfers)	227 907	246 106	261 225	290 176	293 200	196 896	345 402	386 500	428 513	362 648	19.0
Total Operating Expenditure	220 268	247 296	266 205	287 192	288 971	175 301	347 930	391 886	432 825	364 959	21.1
Surplus/(Deficit)	7 639	(1 190)	(4 980)	2 983	4 229	21 594	(2 529)	(5 386)	(4 312)	(2 311)	
Total Capital Revenue	–	–	–	67 697	79 207	2 632	72 385	46 435	30 275	54 198	6.9
Total Capital Expenditure	–	–	–	67 697	79 207	2 509	72 385	46 435	30 275	54 198	6.9

Source: 2012/13 Draft Budget A-Schedules

The total operating revenue for the 2012/13 financial year is budgeted at R345.40 million and shows an increase of 19 per cent when compared to the 2011/12 original budget of R290.17 million. The growth of the operating revenue budget amounts to R362.65 million on average over the 4 year horizon (2011/12 to 2014/15).

Total operating expenditure for the 2012/13 financial year is budgeted at R347.93 million and shows an increase of 21.1 per cent when compared to the 2011/12 original budget of R287.19 million. The budgeted allocation over the 2011/12 to 2014/15 financial years on average amounts to R364.96 million. Taking into account the operating revenue and expenditure allocations for the 2012/13 financial year, the Municipality records a deficit balance R2.53 million which is inclusive of the provision for depreciation charges, employee benefits and rehabilitation of landfill sites. The Municipality has noted that the financing of these provisions are not backed by cash reserves and subsequently poses a challenge in terms of cash flow requirements.

The capital budget for the 2012/13 has increased by 6.9 per cent when compared to the 2011/12 original budget. Capital is budgeted at R72.39 million in 2012/13 and will decrease to R46.44 million and to R30.28 million over the last two years of the MTREF. On average, the capital budget amounts to R54.2 million between 2011/12 and 2012/13 where it is funded primarily from national government.

Overall, the Municipality is somewhat reliant on grant funding to finance its capital budget but the Municipality contributes a significant portion of own revenue toward the total budget.

6.2 Total Operating Revenue

Table 14: Total Operating Revenue by Source

Table 2: 2012/13 draft operating revenue budget												
Description	2008/09	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework			Av Budget (2011/12 - 2014/15)	Av % growth in Budget (2011/12 v 2012/13)	2012/13 % of OPEX budget
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Actual YTD (Feb 2012)	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15			
Property rates	21 845	26 695	30 515	39 309	35 430	37 885	42 388	44 794	47 757	43 562	7.8	12.3
Property rates - penalties & collection charges	680	714	746	675	675	762	729	816	819	760	8.0	0.2
Service charges - electricity revenue	70 498	90 038	106 347	126 914	127 338	70 296	152 783	183 469	215 137	169 576	20.4	44.2
Service charges - water revenue	19 507	22 511	23 352	27 623	27 623	14 966	29 146	30 666	33 000	30 109	5.5	8.4
Service charges - sanitation revenue	10 846	11 248	12 272	11 531	11 531	7 918	12 100	12 696	13 910	12 559	4.9	3.5
Service charges - refuse revenue	11 996	12 530	12 580	13 337	13 337	8 738	13 869	14 381	16 072	14 415	4.0	4.0
Service charges - other	1 193	985	1 245	1 543	1 543	282	1 635	1 698	1 837	1 678	6.0	0.5
Rental of facilities and equipment	6 090	5 879	6 406	7 282	7 282	5 009	7 719	8 014	8 674	7 923	6.0	2.2
Interest earned - external investments	7 604	3 676	2 893	1 846	1 846	967	1 957	1 857	2 199	1 965	6.0	0.6
Interest earned - outstanding debtors	4 136	3 472	4 066	3 905	3 905	2 407	4 139	4 718	4 651	4 353	6.0	1.2
Dividends received	–	–	–	–	–	–	–	–	–	–	0.0	0.0
Fines	751	662	559	2 046	2 046	523	2 169	3 293	2 437	2 486	6.0	0.6
Licences and permits	151	137	194	230	230	108	244	254	274	251	6.0	0.1
Agency services	2 259	2 614	2 667	2 702	2 702	1 810	2 864	2 974	3 218	2 940	6.0	0.8
Transfers recognised - operational	67 291	61 433	53 668	48 732	55 287	42 922	71 088	74 196	75 640	67 414	45.9	20.6
Other revenue	2 985	3 513	3 717	2 498	2 423	2 302	2 568	2 672	2 886	2 656	2.8	0.7
Gains on disposal of PPE	74	–	–	2	2	–	2	2	2	2	6.2	0.0
Total Revenue (excluding capital transfers and contributions)	227 907	246 106	261 225	290 176	293 200	196 896	345 402	386 500	428 513	362 648	19.0	100.0

Source: 2012/13 Budget: A-Schedules (A4-FinPerf-Re) & February 2012 IYM

Assessment and Findings of the Operating Revenue Budget

The operating revenue budget for the 2012/13 financial year amounts to R345.4 million where the items which account for the largest share of the operating revenue budget include property rates at 12.3 per cent, service charges at 60.2 per cent and grants at 20.6 per cent. With regard to services charges, more income is anticipated to be collected from electricity, then from water and followed by income from refuse removal.

In terms of the in-year performance at February 2012, the Municipality has to date collected R196.9 or 67.74 per cent of its adjusted revenue budget amounting to R293.2 million. It should be noted that the Municipality adjusted the operating revenue upwards from R290.17 million to R293.20 million to accommodate additional grants as well as the VAT claimable on capital grants.

Table 15: Ratio related to Revenue Management

Description	07/08 Audited Outcome R'000	08/09 Audited Outcome R'000	%Growth	09/10 Audited Outcome R'000	%Growth	10/11 Audited Outcome R'000	%Growth
ACTUAL SERVICE FEES & PROPERTY RATES v BUDGET							
(A) Actual Service and Property Rates	127 480	63 112	-50.49%	163 846	159.61%	186 362	13.74%
(B) Budgeted Service and Property Rates	126 078	63 861	-49.35%	176 116	175.78%	187 683	6.57%
(C) Variance (R'000) A-B	**1 402**	**-749**	-153.42%	**-12 270**	1538.18%	**-1 321**	-89.23%
Variance (%) C/B	**1.11%**	**-1.17%**	-205.47%	**-6.97%**	494.02%	**-0.70%**	-89.90%
ACTUAL TOTAL REVENUE v BUDGET							
(A) Actual Total Revenue	164 061	239 509	45.99%	263 649	10.08%	307 932	16.80%
(B) Budgeted Total Revenue	161 529	199 702	23.63%	324 533	62.51%	316 432	-2.50%
(C) Variance (R'000) A-B	**2 532**	**39 807**	1472.16%	**-60 884**	-252.95%	**-8 500**	-86.04%
Variance (%) C/B	**1.57%**	**19.93%**	1171.64%	**-18.76%**	-194.12%	**-2.69%**	-85.68%

Source: Witzenberg AFS: Statement of financial performance and Appendix E (1)

The NT norm for the ratio: Actual Total Revenue vs. Budgeted Total Revenue is; the variance between actual and budgeted revenue should not exceed 5 per cent.

The analysis in Table 15 indicates that the Municipality over-recovered its revenue by 19.93 per cent in 2008/09 and then in 2009/10 to 2010/11, the ratio moved to an under-recovery of 18.76 per cent and 2.69 per cent respectively. The ratio is within the NT guideline of 5 per cent.

The overall ratio result of 2.69 per cent under-recovery indicates that the Municipality is within the desired revenue collection levels indicating that the budget for revenue appears to be credible.

Property Rates Revenue

The NT norm for the ratio: Actual Services and Property rates vs. Budgeted services and Property rates are; the variance between actual and budgeted revenue should not exceed 5 per cent.

The trend analysis indicates that the ratio is fluctuating year-on-year. Table 15 shows that the ratio improved from 6.97 per cent in 2009/10 to 0.70 per cent under recovery of revenue in the 2010/11 financial year. The ratio is within the NT guideline of 5 per cent.

The Municipality is currently preparing budgets that are credible for the service charges and property rates revenue and its billing system is functioning effectively. This is substantiated by a low variance of 0.70 per cent under-collection for the 2010/11 financial year.

Rates for residential properties will increase by 8 per cent, informal settlements by 8 per cent, business by 7.9 per cent and industrial property by 7.9 per cent in relation to the tariffs for the 2012/13 financial year. The new zoning scheme will have a positive impact on rates income as property taxes will now be levied according to the zoning of the property.

The overall increase in property rates for all property users increases by 8.02 per cent on average which is higher in relation to the guideline as recommended by National Treasury.

The 2011/12 adjustment budget refers to the fact that income from property rates was adjusted downwards as the rezoning of farm properties was not finalised, therefore properties that could have been rated as commercial or industrial were still rated as agriculture. As the new zoning scheme has been fully implemented, the Municipality anticipates collecting more revenue from consumers. The current collection rate of billed revenue indicates that the revenue anticipated by the Municipality is realistic, however, the burden of the increase is shifted to their consumers.

Service Charges Revenue

Electricity

Electricity revenue forms the largest component of the operating revenue base and comprise of 44.2 per cent of the total operating revenue budget. Revenue growth over 2012/13 MTREF is based on tariff increases calculated at 11 per cent in the budget year taking into account the NERSA's guidelines for the increase in bulk price of electricity.

The Municipality charges a monthly basic fee to its users which are equivalent to an increase of 15.37 per cent for unimproved sites. The tariffs are presented in a sliding scale of rates for the different customers in terms of their usage of electricity per kWh.

The tariffs for customers using prepaid meters increases by 12.87 per cent on average for residential customers classified under the single part tariff. The increase for residents classified under the two part single phase tariff amounts to 15.85 per cent and 10 per cent for the three phase usage. The tariff increases for commercial customers is equivalent to 25.08 per cent for single and 12.07 per cent for three phase users with the exception of prepaid commercial customers where the increase equals 11.9 per cent on average exclusive of the basic charge.

Overall, the tariff charges for electricity are above the recommended guideline issued by National Treasury. The residential customers using the two part single phase represents the highest increase of 15.85 per cent on average and the commercial customer using the single phase will pay on average 25.08 per cent more for electricity. Given that the Municipality has projected its collection rate at 99 per cent implies that the overall collection of revenue is efficient and that the intended billings will be recovered.

Water

Service charges revenue for water is projected at R29.14 million and will comprise of 8.4 per cent of the total operating revenue budget in 2012/13. The anticipated revenue

growth is 5.5 per cent in relation to the previous financial year and informed by 5.9 per cent tariff increases as per the headline CPI inflation rate.

The Municipality implements block tariffs on all conventional meters based on usage inclusive of an availability charge for all water connections. The tariff imposed for Block A (residential and small commercial clients) increases on average by 4.21 per cent. The larger consumers and smaller industrial users, as noted in Block B, increases by 4.17 per cent on average. Large industrial clients and departmental consumption increases by 4.08 per cent and 4.35 per cent for the year on year.

In respect of prepaid meters, the Municipality has implemented a new charge of R3.68 for water connection for any site where consumption is between 0 and 6 kl, noting an increase of 4.25 per cent. Prepaid customers where the usage is above 6 kl are charged 4.09 per cent more in the 2012/13 financial year.

Overall, the Municipality is able to charge such a low tariff for water as they own the water sources and would not incur significant cost in the provision of water.

Fines

For the year 2012/13, the Municipality budget amounts to R2.16 million for Fines which is 6 per cent increases from 2011/12 financial year. The IYM actual reflect a performance of 26 per as at February 2012, and the concern is that the Municipality has extremely under collected due to the challenge with the service provider.

Government Grants

Table 16: Grants and Subsidies to Total Revenue

Description	07/08 Audited Outcome R'000	08/09 Audited Outcome R'000	% Growth	09/10 Audited Outcome R'000	% Growth	10/11 Audited Outcome R'000	% Growth
GRANTS & SUBSIDIES AS % OF TOTAL REVENUE							
(A) Grants and Subsidies	19 826	78 613	296.51%	78 767	0.20%	100 292	27.33%
(B) Total Revenue	164 061	239 509	45.99%	263 971	10.21%	307 932	16.65%
% (A/B)	**12.08%**	**32.82%**	171.61%	**29.84%**	-9.09%	**32.57%**	9.15%

Source: Witzenberg AFS: Statement of financial performance and Appendix E(1)

In the absence of an acceptable norm for this ratio, trend analysis will be used as a basis of analysing and interpreting this ratio. The Municipality receives grants from National and Provincial Government; these grants are used for capital and operating purposes.

The trend analysis indicates that the ratio has fluctuated year-on-year. The ratio has increased from 29.84 per cent (R78.77 million) in 2009/10 to 32.57 per cent (R100.29 million) in the 2010/11 financial year.

Operating Grants increased by 27.33 per cent (R21.53 million) while Total Revenue increased by 16.65 per cent (R43.96 million) in the 2010/11 financial year.

The Municipality is not dependent on grants and subsidies for its day-to-day operations. This is substantiated by the ability to generate own revenue from operations and by the favourable balance of cash and cash equivalents as indicated in the statement of financial position.

Transfers made to fund the operating budget records an amount of R71.09 million for 2012/13 and are set to increase to R74.19 million and R75.64 million over the MTREF respectively as noted in Table A4 of the draft budget.

The supporting Tables SA18 and SA19 were not fully completed therefore no conclusion can be made whether the 2012/13 MTREF includes the projected government grants as indicated in the 2012/13 Division of Revenue Bill (DoRA).

Grants and subsidies for 2012/13 are in line with the published information by National and Provincial Governments. The total amount that was allocated to Witzenberg Municipality from National and Provincial Government is R124.98 million and the Municipality have projected the same amount as per 2012/16 Draft IDP.

With regard to prior year allocations from national government, it should be noted that the Municipality recorded unspent conditional grants of R15.20 million against the budgeted amount of 53.58 million for the 2010/11 financial year, and accounts amongst others for the DWAF-Drought relief and Housing grants.[2]

Summary of Key findings: Operating Revenue

The tariff increases for property rates and Electricity is above the recommended guideline.

Own revenue sources such as property rates revenue and revenue generated from service charges constitutes the bulk (78 per cent) of the operating revenue budget. Whilst deterioration in the collection of outstanding debt was observed and is of concern as also reflected in Debtors age analysis table. However, given that the Municipality has increased both the Property rate tariff and Electricity above guideline issued by National Treasury, the concern will shift to the consumers. It is also observed that since the Municipality own their water sources, the water tariff is a bit below the guideline, however the water losses remains a concern.

In addition, it is observed from Schedule A2 that the Municipality will experience a loss on waste management of R5.1 million for the 2012/13 financial year where no details have been included in the budget documentation.

[2] 2010/11 Annual Financial Statement, note 10

6.3 Total Outstanding Debtors

Table 17: Ratios related to Debtors Management

Description	07/08 Audited Outcome R'000	08/09 Audited Outcome R'000	% Growth	09/10 Audited Outcome R'000	% Growth	10/11 Audited Outcome R'000	% Growth
RATIOS RELATED TO DEBTORS MANAGEMENT							
(A) Consumer Debtors	68 164	66 682	-2.17%	89 915	34.84%	85 583	-4.82%
(B) Actual Service Revenue	147 852	145 831	-1.37%	168 032	15.22%	197 657	17.63%
DAYS = (A/B*365)	**168**	**167**	-0.82%	**195**	17.03%	**158**	-19.08%
(A) Provision for bad debts	45 548	50 958	11.88%	60 441	18.61%	48 865	-19.15%
(B) Consumer Debtors	68 165	66 682	-2.18%	89 915	34.84%	85 583	-4.82%
% (A/B)	**66.82%**	**76.42%**	14.37%	**67.22%**	-12.04%	**57.10%**	-15.06%

Source: Witzenberg AFS: Notes to AFS and Statement of financial performance and Statement of financial position

Debtors Collection Period

The acceptable norm for this ratio per NT guidelines is that the days should not exceed 30 days.

The analysis indicates that the ratio is fluctuating year on year. The consumer debtors' days improved from 195 days in 2009/10 to 158 days in the 2010/11 financial year.

The consumer debtors outstanding over 90 days as a percentage of total consumer debtors are 59 per cent (R52.23 million) in the 2010/11 financial year.

The numbers of days the debtors are outstanding for is a concern as it translates to about 5 months of the time the debtors take before their payments are received. The management is encouraged to venture into new ideas of how to effectively manage the outstanding debt in order to meet the NT suggested norm of 30 days.

Provision for bad debt in relation to Consumer debtors

In the absence of an acceptable norm for this ratio, trend analysis will be used as a basis of analysing and interpreting this ratio.

The analysis indicates that the ratio improved from 76.42 per cent in 2008/09 to 57.10 per cent in 2010/11 financial years. The ratio decreased from 67.22 per cent in 2009/10 to 57.10 per cent in the 2010/11 financial year.

As mentioned in the ratio analysis, above the consumer debtors over 90 days amount to 52.23 million in the 2010/11 financial year. The total provision for Bad debts for Consumer debtors amounts to R48.87 million. The Municipality's provision for bad debts appears to be adequate.

The Municipality is encouraged to continually review its debtor's book to ensure that all long outstanding debtors are fairly valued and provided for. Further to this, the Municipality needs to devise strategies to effectively collect the outstanding revenue from debtors as this will also asset towards improving the cash-flow of the Municipality.

Total Outstanding Debtors

Table 18: Outstanding Debtors as at 29 February 2012

CATEGORY	Feb-12		Month-on-Month		Jan-11		Year-on-Year		Feb-11	
	Amount R'000	%	Amount R'000	%	Amount R'000	%	Amount R'000	%	Amount R'000	%
0-30 days	20 125	23.7	-1 831	-8.3	21 956	26.6	2 327	13.1	17 798	20.1
31-60 days	1 805	2.1	-149	-7.6	1 954	2.4	49	2.8	1 756	2.0
61-90 days	1 680	2.0	266	18.8	1 414	1.7	-231	-12.1	1 911	2.2
>90 days	61 170	72.2	12 130	24.7	49 040	59.3	-5 954	-8.9	67 124	75.8
By Income Source							-			
Water Tariffs	22 714	26.8	512	2.3	22 202	26.8	-2 747	-10.8	25 461	28.7
Electricity Tariffs	12 996	15.3	2 185	20.2	10 811	13.1	1 862	16.7	11 134	12.6
Rates (Property Rates)	12 525	14.8	-325	-2.5	12 850	15.5	3 312	35.9	9 213	10.4
Sewerage / Sanitation Tariffs		0.0	-	0.0		0.0	-	0.0		0.0
Refuse Removal Tariffs		0.0	-	0.0		0.0	-	0.0		0.0
Housing (Rental Income)		0.0	-	0.0		0.0	-	0.0		0.0
Other	36 545	43.1	985	2.8	35 560	43.0	-6 236	-14.6	42 781	48.3
By Customer Group										
Government	3 321	3.9	-1 330	-28.6	4 651	5.6	2 913	714.0	408	0.5
Business	13 764	16.2	2 415	21.3	11 349	13.7	1 679	13.9	12 085	13.6
Households	64 063	75.6	1 017	1.6	63 046	76.2	-9 218	-12.6	73 281	82.7
Other	3 632	4.3	-15	-0.4	3 647	4.4	817	29.0	2 815	3.2
TOTAL	84 780	100	2 087	3	82 693	100	-3 809	-4	88 589	100

Source: NT Database - February 2012

Assessment

As indicated in the table above, debtors for the year to date amounts to R84.78 million, the month on month performance reveals that debtors have decreased by R2.08 million or 3 per cent and the year on year performance reveals that debtors have decreased by R3.80 million or 4 per cent. The debt written off as at January 2012 is R25.17 million.[3]

In terms of the debtors ageing, the bulk of the debtors balance fall under the age category of over 90 days which accounts for 72.7 per cent of the total debtors balance. The Municipality budgeted for R10.45 million to provide for bad debt[4] at how much, in the 2012/13 financial year and could possibly be insufficient to cover the irrecoverable debt adequately.

A large percentage of the debtor per customer group relates to debt owed by households amounting to R64.06 million or 75.6 per cent while the debt owed by business and government accounts for 16.2 per cent and 3.9 per cent respectively. The figures reported in terms of Government debt reported on Appendix B for the month of March

[3] 2010/11 Annual Report, pg 149

[4] 2012/13 Draft Budget, Supporting Table A4

amounts to R3.32 million whereas on District Debt Template report submitted to Provincial Treasury amounts to R758 778.

Findings

The year on year decrease of total debtors may not imply that consumers are paying their debt but is due to the debt that was written off. Given the growth in the +90 days category is a concern there may be a possible understatement of the provision for debts given the current debt balances.

Long outstanding debt for water and property rates remains a concern as well as the total debt balances owed by households.

There seems to be no strict implementation of the credit control policy and other respective policies in order to collect outstanding debt.

It is difficult for the Municipality to use the method of cutting off of electricity in other municipal areas to recover outstanding accounts from customers in town(s) where Eskom supplies electricity like Op-die-Berg.

Recommendation

The Municipality may have to develop innovative initiatives in order to collect the outstanding debt as well as compliance to their respective credit control policies.

Both the government debt report and AD IYM Appendix B report should be aligned and balanced for purposes of monthly reporting.

6.4 Total Operating Expenditure

Table 19: Actual Operating Expenditure versus Budgeted Operating Expenditure

Description	07/08 Audited Outcome R'000	08/09 Audited Outcome R'000	% Growth	09/10 Audited Outcome R'000	% Growth	10/11 Audited Outcome R'000	% Growth
RATIOS RELATED TO EXPENDITURE MANAGEMENT							
(A) Total Actual Expenditure	185 462	227 973	22.92%	247 153	8.41%	266 029	7.64%
(B) Total Budgeted Expenditure	179 651	226 577	26.12%	256 906	13.39%	262 221	2.07%
(C) Variance (R'000) A-B	**5 811**	**1 396**	-75.98%	**-9 753**	-798.64%	**3 808**	-139.04%
Variance (%) C/B	**3.23%**	**0.62%**	-80.95%	**-3.80%**	-716.16%	**1.45%**	-138.25%

Source: Witzenberg AFS: Notes to the Financial Statements and Statement of financial performance

The NT norm for this ratio is that the variance between actual and budgeted operating expenditure should not exceed 5 per cent. Furthermore, actual expenditure may not exceed the budgeted expenditure.

The trend analysis indicates a year-on-year fluctuation. The ratio results moved from 3.80 per cent (R9.75 million) under-expenditure in 2009/10 to 1.45 per cent (R3.81 million) over-expenditure in the 2010/11 financial year.

The main reasons for variances per line item in excess of 5 per cent are explained in the Note 41.4 to the AFS):

- Employee Related Cost: Under-spent the budget by 10.73 per cent (R9.24 million) due to vacancies not being filled timeously.
- Actuarial Losses: There was no budgeted amount for this item; however, an amount of R11.50 million was incurred in the financial year.

The ratio analysis indicates that the Municipality is not within the acceptable spending levels even though the variances are low as actual expenditure exceeds budgeted expenditure.

Table 20: Operating Expenditure

Description	2008/09	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework			Av Budget (2011/12 - 2014/15)	Av % growth in Budget (2011/12 v 2012/13)	% Total Expenditure
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Actual YTD (Feb 2012)	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15			
Expenditure By Type												
Employee related costs	60 391	70 568	77 083	96 698	93 619	63 340	104 080	112 505	121 662	108 736	7.6	29.9
Remuneration of councillors	4 980	5 087	5 577	6 580	6 690	4 441	7 091	7 517	7 968	7 289	7.8	2.0
Debt impairment	11 143	20 157	12 887	9 858	9 858	18 617	10 450	11 077	11 741	10 782	6.0	3.0
Depreciation & asset impairment	4 708	7 430	8 789	15 884	15 884	–	18 623	20 627	18 919	18 513	17.2	5.4
Finance charges	16 273	14 600	13 929	9 785	9 755	2 049	17 478	19 636	20 499	16 849	78.6	5.0
Bulk purchases	45 654	61 491	79 826	96 315	96 739	54 595	118 259	144 807	173 769	133 288	22.8	34.0
Other materials	–	–	–	–	–	–	–	–	–	–	0.0	0.0
Contracted services	5 660	5 742	9 142	8 429	9 198	5 676	9 278	9 651	10 207	9 391	10.1	2.7
Transfers and grants	528	851	1 078	1 038	1 058	648	1 079	1 144	1 212	1 118	4.0	0.3
Other expenditure	70 930	61 361	57 866	42 604	46 170	25 936	61 593	64 924	66 849	58 992	44.6	17.7
Loss on disposal of PPE	–	9	28	–	–	–	–	–	–	–	0.0	0.0
Total Expenditure	220 268	247 296	266 205	287 192	288 971	175 301	347 930	391 886	432 825	364 959	21.1	100.0

Source: 2012/13 Budget: A-Schedules (A4-FinPerf-Re) & February 2012 IYM

The operating expenditure budget for the 2012/13 financial year amounts to R347.93 million and shows a growth of 21.1 per cent in relation to the original budget for 2011/12 and an average budgeted allocation of R364.95 million over the 4 year horizon. The growth is linked to increased appropriations in respect of Employee Related Costs, Bulk purchases and other expenditure.

During January 2012, the operating expenditure budget was adjusted upwards from R287.92 million to R288.97 million[5]. The adjustment comprises of an increase of R0.424 million to Material and Bulk purchases, contracted services to R0.75 million and increase of R2.44 million respectively to other expenditure, as the Municipality highlighted that repairs and maintenance needed more attention, while downwards adjustment made to Employee related cost to the value of R3.13 million. There is however a

[5] 2011/12 Adjustment Budget, Schedule B4

difference in the 2011/12 adjusted budget of R293.12 million when comparing it to the 2012/13 draft budget of R288.97 million.

For the 2010/11 financial year the Municipality was under spent by 12.9 per cent and Repairs and Maintenance, contributing to the 35 per cent under spending.

Employee related Costs and Remuneration of Councillors

Table 21: Employee Costs & Councillor remuneration vs. Total Actual Expenditure

Description	07/08 Audited Outcome R'000	08/09 Audited Outcome R'000	% Growth	09/10 Audited Outcome R'000	% Growth	10/11 Audited Outcome R'000	% Growth
RATIOS RELATED TO EXPENDITURE MANAGEMENT							
(A) Total Actual Expenditure	185 462	227 973	22.92%	247 153	8.41%	266 029	7.64%
(B) Total Budgeted Expenditure	179 651	226 577	26.12%	256 906	13.39%	262 221	2.07%
(C) Variance (R'000) A-B	**5 811**	**1 396**	-75.98%	**-9 753**	-798.64%	**3 808**	-139.04%
Variance (%) C/B	**3.23%**	**0.62%**	-80.95%	**-3.80%**	-716.16%	**1.45%**	-138.25%
(A) Employee Cost	56 256	65 221	15.94%	75 512	15.78%	82 485	9.23%
(B) Total Actual Expenditure	185 462	227 973	22.92%	247 153	8.41%	266 029	7.64%
% (A/B)	**30.33%**	**28.61%**	-5.68%	**30.55%**	6.79%	**31.01%**	1.48%

Source: Witzenberg AFS: Notes to the Financial Statements and Statement of financial performance

In the absence of an acceptable norm for this ratio, trend analysis will be used as a basis of analysing and interpreting this ratio.

The analysis indicates that the ratio has increased steadily from 28.61 per cent in 2008/09 to 31.01 per cent 2010/11. This indicates that the employee costs are increasing in line with total expenditure.

The rand value of employee costs increased from R75.51 million in 2009/10 to R82.49 million in the 2010/11 financial year.

It appears that the Municipality's employee related costs are within the acceptable spending levels.

Employee related costs amounts to 31.9 per cent of the total operating expenditure budget for the 2012/13 financial year, with an increase of 7.64 per cent when comparing the 2011/12 and 2012/13 financial years.

In terms of the performance at the end of February 2012, the Municipality has spent 65.63 per cent of its adjusted budget. Furthermore, the annual report[6] notes that there are vacancies in the technical services unit of 12 per cent which translat1es into 17 vacant posts.

[6] 2010/11 Annual Report, pg 60

Bulk Purchases

This item amounts to 34 per cent of the total operating budget for the 2012/13 financial year. Bulk Purchases shows an increase of 22.8 per cent when comparing 2011/12 and 2012/13.

Table 22: Ratios related to Distribution Losses

Description	07/08 Audited Outcome R'000	08/09 Audited Outcome R'000	% Growth	09/10 Audited Outcome R'000	% Growth	10/11 Audited Outcome R'000	% Growth
% OF WATER LOSSES IN UNITS OF KILOLITRES							
(A) Total units of water lost	1 555	2 231	43.47%	2 144	-3.90%	2 215	3.31%
(B) Total units of water bought	5 984	6 234	4.18%	6 194	-0.64%	6 455	4.21%
% (A/B)	**25.99%**	**35.79%**	37.72%	**34.61%**	-3.28%	**34.31%**	-0.87%
% OF ELECTRICITY LOSSES IN UNITS OF KILOWATTS							
(A) Total units of electricity lost	15 625	22 503	44.02%	15 335	-31.85%	14 713	-4.06%
(B) Total unit of electricity bought	173 262	178 816	3.21%	181 084	1.27%	185 073	2.20%
% (A/B)	**9.02%**	**12.58%**	39.55%	**8.47%**	-32.71%	**7.95%**	-6.12%

Source: Witzenberg AFS: Notes to the annual financial statements

Water distribution losses

The acceptable norm for this ratio per NT guidelines is that it should not exceed 14 - 16 per cent.

The analysis indicates that the ratio has remained fairly stable from 2008/09 to 2010/11 financial year, averaging 34 per cent. The ratio results are significantly outside the NT guideline of 14 - 16 per cent.

The Municipality suffered water loss amounting to R1.86 million in the 2010/11 financial year (R2.19 million in 2009/10). The Municipality indicated in its Annual Report that a water demand strategy needs to be implemented in order to improve the current water losses from 35 per cent to 25 per cent.

The water distribution losses remain a challenge for the Municipality. The Municipality should put strategies in place to curb further the water losses as this leads to loss of potential revenue which could have been used for other operational activities.

Electricity distribution losses

The acceptable norm for this ratio per NT guidelines is that it should not exceed 10 - 12 per cent.

The analysis indicates that the ratio improved from 2008/09 to 2010/11 from 12.58 per cent to 7.95 per cent respectively. The ratio improved from 8.47 per cent in 2009/10 to 7.95 per cent in the 2010/11 financial year.

Electricity distribution losses amounted to R6.35 million for the 2010/11 financial year (R5.62 million in the 2009/10).

The Municipality should guard against continuous increases in the electricity losses as this leads to loss of potential revenue which could have been used for other operational activities.

The Municipality indicated that they have put in place control measures to ensure reduction of distribution losses.

Contracted Services

Contracted services will increase by 10.1 per cent from R8.43 million in 2011/12 to R9.28 million in 2012/13. This could be an indication that the Municipality are outsourcing its functions through the use of external service providers, contractors and or consultants. The Municipality has not provided any details with regard to the contracted services per contract as required by Schedule SA 1.

Other Expenditure

Under the item Other Expenditure the municipality included general expenditure which accounts for a significant portion of the total operating budget. The 2012/13 budget allocation for general expenditure amounts to R58.98 million, increasing to R62.15 million and R63.91 million for the outer years of the MTREF according to Schedule SA1. Furthermore, the details in terms of the items that are included in general expenditure have not been completed.

With regard to Schedule SA1, the Municipality did not allocate the expenditure related to repair and maintenance as required. In addition, the totals that should have been noted on Schedules SA34(c), A9 has also not been completed in order to assess whether some provision was made for this item.

In the budget overview, the Municipality has not budgeted for any additional costs as they don't foresee any major breakages during the financial year. This appears to be a potential risk where the Municipality should put measures in place to correct this situation as repairs and maintenance should be part of its long term plan in order to preserve their asset and infrastructure base.

Findings

A numbers of items which relate to the operating expenditure budget have not been completed as required under Schedule SA1.

Recommendations

As part of the final budget, the Municipality should ensure that the respective schedules, which note the operating items, are fully completed. Furthermore, the Municipality should review their budget assumption concern repairs and maintenance where no provision was made for the 2012/13 MTREF.

In addition, the income from the VAT on conditional grant should be utilised to boost their internal revenue streams**.**

6.5 Total Outstanding Creditors

Table 23: Outstanding Creditors as at 29 February 2012

Table 7: Creditors' age analysis as at 29 February 2012											
CATEGORY	0 - 30 Days		31 - 60 Days		61 - 90 Days		Over 90 Days		Total	February 2012	Month-on-Month
	Amount R'000	%	Amount R'000	%	Amount R'000	%	Amount R'000	%	Amount R'000	Amount R'000	Amount R'000
Bulk Electricity		-		-		-		-	-		-
Bulk Water		-		-		-		-	-		-
PAYE deductions		-		-		-		-	-		-
VAT (output less input)		-		-		-		-	-		-
Pensions/Retirement		-		-		-		-	-		-
Loan repayments		-		-		-		-	-		-
Trade Creditors	1 899	99.7	5.00	0.3		-		-	1 904	927	(977)
Auditor General		-		-		-		-	-		-
Other		-		-		-		-	-		-
Total	1 899	99.7	5.0	0.3	-	-	-	-	1 904.0	927.0	-977.0

Source: NT Database - February 2012

The total creditors balance at the end of February reflects a balance of R1.89 million with month-on-month increase of R977 000 from January 2012.

The table above indicates that the total accounts payables as at end February 2012 amount to R1.89 million of which R5 000 of the total is due in more than 30 days.

The creditor outstanding for more than 30 days is in respect of a supplier which issued delivery note instead of an invoice, no monthly statement was received to reconcile invoices and account did not appear on statement.

6.6 Capital Revenue (Sources of Funding)

Table 24: Total Capital Revenue as per Schedule A5

Table 4 : 2012/13 draft capital revenue budget												
Description	2008/09	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework			Av Budget (2011/12 - 2014/15)	Av % growth in Budget (2011/12 v 2012/13)	% Total Budget
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Actual YTD (Feb 2012)	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15			
National Government	–	–	–	31 971	38 909	11 321	52 378	33 135	19 584	34 267	63.8	72
Provincial Government	–	–	–	19 557	23 817	2 815	8 109	–	–	6 917	-58.5	11
District Municipality	–	–	–	–	1 752	1 542	–	–	–	–	0.0	0
Other transfers and grants	–	–	–	–	–		–	–	–	–	0.0	0
Transfers recognised - capital	–	–	–	51 529	64 478	15 679	60 488	33 135	19 584	41 184	17.4	84
Public contributions & donations	–	–	–	–	–		–	–	–	–	0.0	0
Borrowing	–	–	–	–	–		–	–	–	–	0.0	0
Internally generated funds	–	–	–	16 168	14 729	4 798	11 897	13 300	10 690	13 014	-26.4	16
Total Capital Funding	–	–	–	67 697	79 207	20 477	72 385	46 435	30 275	54 198	6.9	100

Source: Draft Budget Schedule: A5-Capex & February 2012 IYM

The capital revenue budget for the 2012/13 financial year amounts to R72.39 million and shows a decrease in growth of 6.9 per cent comparing with 2011/12 financial year. The Municipality relies heavily on external funds to finance the capital budget where national and provincial allocations account for 84 per cent or R60.49 million where the balance of R11.89 million is financed by own funds. The Municipality projects to decrease capital spending consistently over the MTREF, as only projects and programmes for which funding have been secured via a DoRA allocation or approved Provincial gazette is included in the budget, hence the decrease. In addition, the allocations from national government decrease significantly between 2012/13 and 2013/14 and no grants are reflected by provincial government during the 2013/14 financial year.

The in-year performance for capital revenue as at February 2012 amounts to R20.47 million or 25.8 per cent versus the adjusted budget of R79.21 million which is low and suggests that the Municipality might underperform at the end of the financial year.

During January 2012, the capital budget was adjusted upward by R11.51 million from R67.69 million to R79.20 million to accommodate capital projects to the value of R4.93 million which will be carried forward to 2012/13 financial year. There is however a difference in the 2011/12 adjusted budget figures when comparing it to the 2012/13 draft budget.

Internally generated funds

The Municipality has reduced its funding of the capital budget from the original allocation in the 2011/12 financial year compared to the funds set aside for the 2012/13 financial year.

The Municipality is projecting a year on year reduction in growth of 26.4 per cent from the 2011/12 to the 2012/13 financial year. The Municipality's annual financial statements for

2010/11 show their Capital Replacement Reserve (CRR) which amounts to R5.63 million which is set aside for all future capital financing, whereas the cash at bank amounts to R10.25 million[7].

In terms of the Executive Summary to the budget, the Municipality has geared the capital budget to infrastructure investment over the MTREF that is aligned to the IDP strategic objectives and where the projected allocation of internal funds are affordable over the period.

It appears that the Municipality has not adequately addressed the issue of long term planning, especially for the capital budget. Planning should take place to ensure that capital projects for the single year and multi-year should be identified. Policy measures should complement the long term planning to ensure that adequate cash funding is set aside for asset renewal as well as for repairs and maintenance. All these measures should be aligned to how the capital budget is aligned to the tariff structures and how revenue could be collected over the long term to generate funds.

Findings

The capital funding source is decreasing over the MTREF due to the decrease of the national and provincial government funding. Given that a number of projects are planned for the 2012/13 financial year as indicated in the capital budget, it raises the question of whether all would be completed at the end of the financial year.

Recommendations

As projects are primarily reliant on external grant funding, the Municipality is advised to put in place policy measures that would address long term capital planning. They should essentially identify capital projects for single year as well as those that are for multi-year and ensure the respective planning in terms of demand management and the related SCM procedures talks to each other. Furthermore, the Municipality should effectively reserve cash funding for asset renewal as well as repairs and maintenance by limiting non-essential spending as well as the utilisation of the VAT grant funding as a source of income towards the overall reserves towards the CRR.

[7] 2010/11 Annual Financial Statement, Note 2

6.7 Capital Expenditure

Table 25: Ratios related to Asset Management

Description	07/08 Audited Outcome R'000	08/09 Audited Outcome R'000	% Growth	09/10 Audited Outcome R'000	% Growth	10/11 Audited Outcome R'000	% Growth
RATIOS RELATED TO ASSET MANAGEMENT							
(A) Repairs and Maintenance	8 168	19 708	141.28%	8 942	-54.63%	11 005	23.07%
(B) Carrying value of PPE	71 395	129 058	80.77%	150 167	16.36%	203 329	35.40%
% (A/B)	**11.44%**	**15.27%**	33.48%	**5.95%**	-61.01%	**5.41%**	-9.11%
(A) Actual Acquistion of PPE	34 491	60 042	74.08%	29 722	-50.50%	61 986	108.55%
(B) Budgeted Acquisition of PPE	33 844	75 566	123.28%	33 872	-55.18%	70 728	108.81%
(C) Variance (R'000) A-B	**647**	**-15 524**	-2499.38%	**-4 150**	-73.27%	**-8 742**	110.65%
Variance (%) C/B	**1.91%**	**-20.54%**	-1174.62%	**-12.25%**	-40.36%	**-12.36%**	0.88%

Source: Witzenberg AFS: Statement of financial performance, Statement of financial position and Appendix E (2)

Repairs & Maintenance as a percentage of Carrying value of PPE

The acceptable norm as per NT guidelines is that the ratio is not less than 12 per cent of total carrying amount of PPE.

The analysis indicates that the ratio has deteriorated in the past three years from 15.27 per cent in 2008/09 to 5.41 per cent in the 2010/11 financial year. Although the ratio has weakened as a percentage of PPE, the rand value of repairs increased from R8.94 million to R11.01 million in 2010/11 financial year.

The ratio is significantly outside the NT guideline of 12 per cent, indicating that the Municipality appears not to be spending adequate funds on repairing and maintenance of its assets.

Maintenance expenditure on infrastructure is crucial to the Municipality. The Municipality should continue reviewing its asset base to ensure that there is no significant backlog on repairing its assets.

Acquisition of Property, Plant and Equipment – Actual versus Budgeted

The NT norm for this ratio is that the variance between actual and budgeted capital expenditure should not exceed 5 per cent. Furthermore, actual expenditure may not exceed the budgeted expenditure.

The trend analysis indicates that the ratio has improved in the past three years from an under-expenditure of 20.54 per cent (R15.52 million) in 2008/09 to 12.36 per cent (R8.74 million) in 2010/11 financial years. Although the ratio has improved, it is still outside the NT guideline of 5 per cent.

The main reasons for variance in excess of 5 per cent were: Municipality to provide reasons:

- Corporate Services: Under-spent the budget by 29.47 per cent (R2.12 million); and
- Sports and recreation: Under-spent the budget by 39.75 per cent (R2.84 million).

The overall ratio result indicates that the Municipality has challenges in spending its total capital budget. Moving forward, the Municipality should ensure that the performance on the capital spending is improved to accelerate service delivery to the community.

Table 26: Capital Expenditure

Vote Description	2008/09	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework			Av Budget (2011/12 - 2014/15)	Av % growth in Budget (2011/12 v 2012/13)	% Total Budget
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Actual YTD (Feb 2012)	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15			
Capital Expenditure - Standard												
Governance and administration	**–**	**–**	**–**	**2 517**	**1 051**	**544**	**2 494**	**587**	**3 416**	**2 253**	**-0.9**	**3.4**
Executive and council	–	–	–	–	52	1	–	–	–	–	0.0	0.0
Budget and treasury office	–	–	–	45	45	5	–	–	–	11	-100.0	0.0
Corporate services	–	–	–	2 472	953	539	2 494	587	3 416	2 242	0.9	3.4
Community and public safety	**–**	**–**	**–**	**5 188**	**7 542**	**2 075**	**10 943**	**8 130**	**5 190**	**7 363**	**110.9**	**15.1**
Community and social services	–	–	–	236	688	100	169	369	320	274	-28.3	0.2
Sport and recreation	–	–	–	3 699	4 985	1 381	9 251	7 081	4 500	6 133	150.1	12.8
Public safety	–	–	–	1 253	1 863	588	1 522	610	370	939	21.5	2.1
Housing	–	–	–	1	6	6	–	70	–	18	-100.0	0.0
Health	–	–	–	–	–		–	–	–	–	0.0	0.0
Economic and environmental services	**–**	**–**	**–**	**15 789**	**22 474**	**8 755**	**19 769**	**8 171**	**6 652**	**12 595**	**25.2**	**27.3**
Planning and development	–	–	–	3	22	1	1 365	–	–	342	43 233.3	1.9
Road transport	–	–	–	15 784	22 363	8 754	18 404	8 171	6 652	12 253	16.6	25.4
Environmental protection	–	–	–	1	89		–	–	–	0	-100.0	0.0
Trading services	–	–	–	44 203	48 141	9 103	39 179	29 547	15 016	**31 986**	-11.4	54.1
Electricity	–	–	–	2 027	3 745	1 473	2 933	740	400	1 525	44.7	4.1
Water	–	–	–	26 238	22 982	4 431	24 202	22 961	6 846	20 062	-7.8	33.4
Waste water management	–	–	–	15 280	20 579	3 034	12 023	5 824	6 920	10 012	-21.3	16.6
Waste management	–	–	–	658	835	165	21	22	850	388	-96.9	0.0
Other	–	–	–	–	–		–	–	–	–	0.0	0.0
Total Capital Expenditure - Standard	**–**	**–**	**–**	**67 697**	**79 207**	**20 477**	**72 385**	**46 435**	**30 275**	**54 198**	**6.9**	**100.0**

Source: Draft Budget Schedule: A5-Capex & February 2012 IYM

In the 2012/13 financial year, the Municipality has prioritised the bulk of its capital budget to Economic and environmental service at R19.76 million or 27.3 per cent and Trading services at R39.17 million or 54.1 per cent. Within the trading services category, the items water and waste water management accounts for the largest share at R24.20 million and R12.02 million respectively. The capital expenditure per vote does not agree with the expenditure per standard classification as noted on Schedule A5.

In terms of the performance of the capital expenditure for the month ended February 2012, the Municipality has spent R20.47 million or 27.01 per cent of its capital adjusted budget of R75.83 million. Currently there are some challenges being experience with regard to the capital projects which relates Bulk Water in Kleinberg River with a budgeted allocation of R7.7 million and where it is projected that an amount of R4.9 million will be rolled over.[8]

Economic and Environmental Services

Road Transport

Road transport accounts for 93.1 per cent of the Economic and Environmental Services category amounting to R19.76 million for the total vote in the 2012/13 financial year. The allocation is reduced to R8.17 million in the 2013/14 financial year and further reduced to R6.65 million in the last year of the MTREF. According to the draft IDP 2012/16, the last pages highlights some projects which the Municipality intends to undertake for the 2012/13 year and includes R8 million for the upgrading of roads in Tulbagh and R5 million for roads in Wolseley.

Trading Services

Water and Water waste management

The item water amounts to R24.20 million or 61.77 per cent of the trading services category while water waste management amounts to R12.03 million and accounts or 30.69 per cent of the same category.

In terms of the water item, it is reduced in the second year of the MTREF to R22.96 million and further to R6.84 million in the last year of the MTREF. Some water projects which are highlighted on the Draft IDP of 2012/16 include:

- R4 million for New main Water line from Koekedouw network
- R28.05 million Upgrading of Waste Water Treatment Works
- R3.4 million Upgrade electricity supply to industrial area in Wolseley and Tulbagh
- R26.2 million Upgrading of Roads
- R2.5 million in Upgrading Sewer Works

[8] 2011/12 Adjustment budget, pg 5

In terms of the spending of the capital budget in the previous financial year, the Municipality budgeted for capital spending amounting to R70.72 million and spent R61.98 million. Effectively, the Municipality had underspent on their capital budget by R8.74 million which relates to projects not completed[9]. The under spending related to the sports and recreation and corporate services items recording under spending amounting to R5.2 million.

Key Findings

The thrust of the capital budget is focused primarily on trading services which has a direct impact on service delivery.

The Municipality relies heavily on external funding to finance its capital budget.

Given the prior year trends, the Municipality may possibly underspend on its capital budget with particular emphasis on the water and waste water management items where the budget allocation for 2012/13 in terms of trading services has been focused.

The Municipality may have projects that will have to be rolled over for the second time in the 2012/13 financial year.

Recommendations

Adequate planning of projects and also consider time lags of supply chain activities well before the start of the financial year. The Municipality to plan the capital project to be appropriated.

6.8 Cash Management Assessment

Summary Overview: 2010/11

During the previous LG MTEC 3 processes it was highlighted that the municipality incurred cash flow reporting challenges which related to the system challenges experienced by the municipality.

Analysis of the audit report stated that the financial statements presented fairly, in all material respects, the financial position of Witzenberg Municipality as at 30 June 2011, and its financial performance, cash flows and comparisons of the budgets and actual amounts for the year then ended in accordance with SA Standards of GRAP and in the manner required by the MFMA and DoRA.

[9] 2010/11 AFS, Appendix Note 41.3

In terms of section 1 of the MFMA, "Fruitless and wasteful expenditure'' means expenditure that was made in vain and would have been avoided had reasonable care been exercised. It was noted that bank charges on Refer to Drawer (R/D) cheques due to negligence of the cashiers, were allocated to a "Cashiers RMC" debtors account depending on the cash office. Upon inspection of the consolidated history enquiry reports, it was noted that these debtors were not regularly followed-up. Furthermore, upon inspection of note 44 to the AFS, no fruitless and wasteful expenditure is disclosed, therefore fruitless and wasteful expenditure is understated and debtors overstated.

The audited cash flow statement as at 30 June 2011 indicates a closing cash & cash equivalent balance of R21.87 million.

In-Year Cash Flow Overview: 29 February 2012

Table 27: Cash Receipts and Payments

Cash Flow Statement (in R'000) for Financial Year End 2012, Period Selected: M01 to M08									
		Original Budget	Adjusted Budget	Actuals YTD	%	Actual Quarter 1 July - Sept	Actual Quarter 2 Oct - Dec	Actual Month 7 January	Actual Month 8 February
Location: (WC022) Witzenberg (Low)									
Actuals provided up to Month 8 (shaded), Months after are forecast figures									
1	**Cash receipts by source**								
2	Statutory receipts (including VAT)	37 626	37 626	26 655	70.8	11 985	9 511	3 258	1 901
3	Service charges	173 992	173 992	109 082	62.7	45 811	38 191	12 334	12 745
4	Transfers (operational and capital)	99 725	99 725						
5	Other receipts	20 507	20 507	97 554	475.7	33 990	36 221	23 985	3 358
6	**Cash receipts by source**	**331 850**	**331 850**	**233 291**	**70.3**	**91 786**	**83 923**	**39 577**	**18 004**
7	**Other cash flows / receipts by source**								
8	Contributions recognised - capital & contributed assets								
9	Proceeds on disposal of PPE								
10	External loans								
11	Net increase (decrease) in assets / liabilities	-120	-120	100	-83.3	23	34	14	29
12	**Total cash receipts by source**	**331 730**	**331 730**	**233 391**	**70.4**	**91 809**	**83 957**	**39 591**	**18 033**
13	**Cash payments by type**								
14	Employee related costs	100 123	100 123	61 833	61.8	20 684	26 268	7 582	7 300
15	Grant and subsidies	1 037	1 037	647	62.4	255	196	132	64
16	Bulk Purchases - electricity, water and sewerage	96 316	96 316	70 629	73.3	34 236	20 732	6 905	8 756
17	Other payments to service providers	57 617	57 617	131 937	229.0	111 444	13 178	2 978	4 337
18	**Cash payments by type**	**255 093**	**255 093**	**265 046**	**103.9**	**166 619**	**60 374**	**17 597**	**20 457**
19	**Other cash flows / payments by type**								
20	Capital assets	67 696	67 696	11 071	16.4	1 726	3 076	4 632	1 637
21	Repayment of borrowing	7 440	7 440						
22	Other cash flows / payments			-32 517		-69 687	25 191	14 861	-2 882
23	**Total cash payments by type**	**330 229**	**330 229**	**243 600**	**73.8**	**98 658**	**88 641**	**37 090**	**19 212**
24	**Net increase (decrease) in cash held**	**1 501**	**1 501**	**-10 209**	**-680.1**	**-6 849**	**-4 684**	**2 501**	**-1 179**
25	***Cash/ cash equivalents at the month/year begin***	***30 003***	***30 003***	***10 252***		***10 252***	***3 404***	***-1 280***	***1 222***
26	***Cash/ cash equivalents at the month/year end***	***31 504***	***31 504***	***44***		***3 404***	***-1 280***	***1 222***	***44***

Source: NT Database, February 2012

The cash & cash equivalent balance of R21.87 million on the audited cash flow statement as at the end of 2010/11 does not reconcile with the opening balance of R30 million on the adjusted cash flow budget for 2011/12 in terms of the IYM report as at 29 February 2012.

Risk Assessment

Liquidity Risk

Analysing the quarter on quarter performance of Witzenberg Municipality it is noted that during quarter one the cash outflows exceeded their cash inflows by R6.85 million. During the second quarter the cash outflow exceeded cash inflow by R4.68 million.

During February 2012 the municipality decreased their cash surplus position with R1.17 million. The total actual cash receipts coverage for February 2012 is 0.94 times compared with quarter one of 0.94 times and quarter two of 0.95 times.

Findings

The closing cash/cash equivalents do not reconcile with the opening cash/cash equivalents balance as per the CFA at 29 February 2012. The municipality's appears to have cash flow constraints or challenges as reported during the first quarter, then gradually improving during the second quarter. The cash position at the end of February is alarming with the liquidity position rapidly declining.

Credit Risk

Table 28: External Borrowing – February 2012

External Borrowing	Opening Balance Feb 2012	Interest Capitalised	Repayments	Loans Received	Closing Balance	QBMR Q2 Oct - Dec 2011	Repayment YTD (NT)	Budgeted Repayment	Budgeted Repayments
Witzenberg	R 55 799				R 55 799	1	R 1 274	R 7 740	16%
Total	R 55 799	R 0	R 0	R 0	R 55 799	1	R 1 274	R 7 740	16%

Source: Monthly External Borrowing Report

Witzenberg Municipality budgeted for repayment on external borrowing as per the cash flow budget. The municipality repaid R1.27 million, which is 16 per cent of its budgeted repayments YTD at the end of February 2012. This poses a credit/default risk as the Municipality would not meet the full year obligation on loan repayments.

Findings

The low budgeted repayment on borrowing for the period under review poses a credit/default risk. The municipality should note this position and ensure that the repayment on borrowing scheduled as half-yearly payments matches the budgeted repayments for the same period.

Investment Risk

Table 29: Investments – February 2012

Investments Risk	Opening Balance Feb 2012	Investments Matured	Investments Made	Interest Capitalised	Cost and Fees	Interest Earned to month	Interest Earned Year to date	Closing Balance	Budgeted Interest Earned	Budgeted Interest Earned YTD %
Witzenberg	R 27 797	R 17		R 69		R 69	R 522	R 27 849	1 846	28.28%
Total	R 27 797	R 17	R 0	R 69	R 0	R 69	R 522	R 27 849	R 1 846	28.28%

Source: Monthly Investment Report, February 2012

Total investments matured for the month of February 2012 is R17 000.00. The year to date interest earned of R522.00 is 28.28 per cent of the budgeted interest of R1.85 million as at 29 February 2012. The realised interest for the period under review compared to the budget has a variance of 38.36 per cent. This poses cash flow challenges on the operating revenue budget for the period under review.

Findings

Investments are managed in accordance with the Cash Management & Investment Policy of the municipality.

No counterparty risk exists as investments are with approved F1+ banks registered in terms of the Banks Act and approved investment managers in accordance with the SCM policy.

The low realised interest for the period under review increases the interest rate risk. Effective cash planning as well as the completion of daily bank reconciliations would assist to make more informed investments decisions to maximise interest income on surplus cash.

Cash Flow Summary 2012/13 MTREF

Table 30: Cash Flow

WC022 Witzenberg - Table A7 Budgeted Cash Flows

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Ratepayers and other		142 792	186 336	188 374	226 376	222 920	222 920	222 920	258 270	295 679	335 603
Government - operating	1	67 291	61 433	38 967	48 732	54 742	54 742	54 742	71 088	74 196	75 640
Government - capital	1	11 604	17 820	16 884	50 995	50 995	50 995	50 995	50 995	27 041	22 132
Interest		11 532	7 030	6 954	5 751	5 751	5 751	5 751	6 096	6 575	6 850
Dividends		–	–		–		–	–	–	–	–
Payments											
Suppliers and employees		(197 359)	(211 375)	(246 532)	(248 488)	(248 004)	(248 004)	(248 004)	(302 929)	(339 726)	(378 648)
Finance charges		(14 422)	(12 369)	(12 054)	(9 785)	(9 785)	(9 785)	(9 785)	(17 478)	(19 636)	(20 499)
Transfers and Grants	1	(528)	(851)	(653)	(1 038)	(1 038)	(1 038)	(1 038)	(1 079)	(1 144)	(1 212)
NET CASH FROM/(USED) OPERATING ACTIVITIES		20 911	48 023	(8 059)	72 543	75 581	75 581	75 581	64 964	42 986	39 867
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		–	–	–	–	–	–	–	–	–	–
Decrease (Increase) in non-current debtors		–	–	–	322	322	322	322	322	261	211
Decrease (increase) other non-current receivables		2	131	49	14	14	14	14	14	13	12
Decrease (increase) in non-current investments		3 338		–	–	–	–	–	–	–	–
Payments											
Capital assets		(20 195)	(29 712)	(61 143)	(67 697)	(77 392)	(77 392)	(77 392)	(72 385)	(46 435)	(30 275)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(16 855)	(29 582)	(61 093)	(67 360)	(77 056)	(77 056)	(77 056)	(72 048)	(46 161)	(30 051)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		18 760	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits		–	–	97	219	219	219	219	219	246	275
Payments											
Repayment of borrowing		(10 019)	(7 511)	(9 138)	(7 441)	(7 441)	(7 441)	(7 441)	(7 441)	(8 045)	(8 700)
NET CASH FROM/(USED) FINANCING ACTIVITIES		8 742	(7 511)	(9 041)	(7 221)	(7 221)	(7 221)	(7 221)	(7 221)	(7 799)	(8 425)
NET INCREASE/ (DECREASE) IN CASH HELD		12 797	10 930	(78 193)	(2 038)	(8 696)	(8 696)	(8 696)	(14 306)	(10 975)	1 391
Cash/cash equivalents at the year begin:	2	19 775	32 573	43 503	30 003	30 003	30 003	30 003	21 307	7 002	(3 973)
Cash/cash equivalents at the year end:	2	32 573	43 503	(34 691)	27 965	21 307	21 307	21 307	7 002	(3 973)	(2 582)

Source: 2011/12 Draft Schedule A7

The audited outcomes for the Municipality 2008/09 and 2009/10 in terms of net increases or decreases indicate a net increase in 2008/09 and 2009/10 financial year. During 2010/11 a net decrease in cash held is experienced, however the audited outcome for 2010/11 does not reconcile with the audited financial statements. A net decrease in cash held is indicated for 2012/13 and for 2013/14 and a net increase in 2014/15.

Over the MTREF 2012/13 to 2014/15 the Municipality is projecting an average cash and cash equivalents of R149 000 million compared to the average audit outcomes 2008/09 to 2010/11 of R13.79 million, representing an average decrease of 98.92 per cent.

The tabled budget for 2012/13 indicates that the Municipality will be generating sufficient cash inflow from the operating activities to finance cash outflow from operations. It remains positive in 2013/14 and 2014/15 financial years.

The cash flow from investing activities is negative over the medium term. The highest contribution towards the net cash is the spending on capital assets. The cash outflow from capital assets contribute to the reduction of the net cash available from the operating activities. The net cash available from operations is insufficient to sustain the capital asset outflow for 2012/13 and 2013/14 except for the 2014/15 financial year.

The Municipality is not projecting for external financing on their cash flow budget over the medium term 2012/13 to 2014/15. They are budgeting for repayment on current outstanding external borrowing in each year of the medium term and the net cash available from operations is inadequate to sustain the repayment on external borrowings during 2012/13 and 2013/14 except for 2014/15.

Credibility: Schedules SA30 & A7

The Ratepayers and Other - *cash inflow of R258.27 million on the A7 cash flow schedule is not reconciling with the R257.76 million stated on the SA30 schedule.*

Payments made to suppliers and employees *on the A7 cash flow schedule of R309.29 million is not reconciling with the R301.38 million stated on the SA30 schedule.*

Government operating of R71.08 million is reconciling with SA30 schedule.

Government capital *of R50.99 million on the A7 schedule is not reconciling with SA30 schedule of R48.51 million.*

Interest earned of R6.09 million and Finance charges R17.48 are reconciling with the SA30 schedule.

Capital assets *of R72.39 million are not reconciling with the SA30 schedule Capital assets of R72.64 million.*

Repayment of borrowing *is stated on the A7 cash flow, however no provision have been made for repayment on borrowing on the SA30 schedule.*

Findings

It should be noted that the budgeted amounts between the supporting SA schedules and A schedules are not reconciling and that the credibility of the cash flow budget is questionable. This must be reviewed and corrected where it is justified. This must be reviewed and corrected where it is justified. The audited outcome for 2010/11 reported on the A7 cash flow schedule does not reconcile with the closing balance on the audited cash flow statement for 2010/11.

Table 31: Monthly Cash inflow and Outflow: 2012/13 MTREF

WC022 Witzenberg - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Cash Receipts By Source													1		
Property rates	3 651	1 916	3 568	3 417	3 506	2 912	3 410	3 369	4 090	3 443	3 005	4 806	41 093	43 410	46 311
Property rates - penalties & collection charges	45	47	46	97	90	81	79	47	45	52	50	49	729	816	819
Service charges - electricity revenue	15 045	14 703	13 353	13 473	7 969	9 830	11 985	13 582	12 533	13 154	14 481	11 966	152 074	182 717	214 339
Service charges - water revenue	1 689	(1 080)	2 314	1 934	2 567	1 149	3 053	2 240	2 443	2 332	1 654	4 588	24 884	26 148	28 212
Service charges - sanitation revenue	1 028	109	1 017	927	1 024	729	1 109	970	746	901	739	1 791	11 089	11 623	12 773
Service charges - refuse revenue	952	(432)	1 260	1 100	1 256	619	1 124	964	826	966	657	2 250	11 540	11 912	13 455
Service charges - other	108	55	65	214	89	91	182	233	179	175	70	173	1 635	1 698	1 837
Rental of facilities and equipment	433	746	715	784	698	691	737	524	897	393	718	35	7 372	7 650	8 280
Interest earned - external investments	(47)	50	351	170	20	12	52	18	1 480	250	386	(785)	1 957	1 857	2 199
Interest earned - outstanding debtors	284	289	292	324	253	358	370	378	391	426	408	366	4 139	4 718	4 651
Dividends received	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines	39	198	129	198	451	332	365	427	312	147	226	(655)	2 169	3 293	2 437
Licences and permits	41	19	15	15	20	12	16	19	14	12	7	54	244	254	274
Agency services	198	258	247	241	283	156	175	257	287	232	266	264	2 864	2 974	3 218
Transfer receipts - operational	5 493	5 493	5 493	5 493	5 493	5 493	5 493	5 573	5 493	5 493	5 493	10 584	71 088	74 196	75 640
Other revenue	182	72	143	177	176	44	225	157	339	141	172	244	2 072	2 156	2 323
Cash Receipts by Source	29 143	22 444	29 008	28 564	23 896	22 511	28 374	28 755	30 077	28 118	28 331	35 729	334 950	375 421	416 769
Other Cash Flows by Source															
Transfer receipts - capital	1 215	1 215	1 215	1 215	1 215	1 215	1 215	35 145	1 215	1 215	1 215	1 215	48 513	34 277	21 645
Contributions recognised - capital & Contributed a	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Proceeds on disposal of PPE	0	0	0	0	0	0	0	0	0	0	0	0	2	2	2
Short term loans	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (Increase) in non-current debtors	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) other non-current receivable	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Receipts by Source	30 358	23 660	30 224	29 780	25 111	23 726	29 589	63 900	31 292	29 334	29 546	36 945	383 465	409 700	438 416
Cash Payments by Type															
Employee related costs	7 966	8 408	9 994	8 754	9 617	9 408	8 150	9 081	6 315	8 320	8 145	9 920	104 080	112 505	121 662
Remuneration of councillors	638	619	619	621	621	619	553	558	552	545	280	866	7 091	7 517	7 968
Finance charges	350	(918)	3 139	513	1 076	1 131	442	586	3 900	167	1 391	5 701	17 478	19 636	20 499
Bulk purchases - Electricity	–	14 352	14 122	8 204	7 986	8 015	8 079	9 986	8 686	9 591	8 542	20 695	118 259	144 807	173 769
Bulk purchases - Water & Sewer	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other materials	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Contracted services	225	882	1 331	717	960	833	700	853	906	731	839	301	9 278	9 651	10 207
Transfers and grants - other municipalities	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and grants - other	179	33	59	157	28	32	203	66	70	200	7	46	1 079	1 144	1 212
Other expenditure	3 302	4 385	4 876	5 020	5 434	5 820	3 798	4 993	5 414	4 634	6 649	7 267	61 593	64 924	66 849
Cash Payments by Type	12 660	27 760	34 142	23 986	25 721	25 857	21 925	26 123	25 844	24 188	25 853	44 796	318 857	360 182	402 165
Other Cash Flows/Payments by Type															
Capital assets	11 784	3 684	4 426	13 542	6 457	4 603	5 550	6 102	6 199	6 198	3 272	818	72 635	46 435	30 275
Repayment of borrowing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other Cash Flows/Payments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Payments by Type	24 445	31 445	38 567	37 528	32 179	30 460	27 475	32 225	32 042	30 387	29 125	45 614	391 492	406 617	432 440
NET INCREASE/(DECREASE) IN CASH HELD	5 914	(7 785)	(8 344)	(7 748)	(7 068)	(6 734)	2 114	31 675	(750)	(1 053)	421	(8 669)	(8 027)	3 083	5 977
Cash/cash equivalents at the month/year begin:	–	5 914	(1 871)	(10 215)	(17 963)	(25 031)	(31 765)	(29 651)	2 024	1 274	221	642	–	(8 027)	(4 944)
Cash/cash equivalents at the month/year end:	5 914	(1 871)	(10 215)	(17 963)	(25 031)	(31 765)	(29 651)	2 024	1 274	221	642	(8 027)	(8 027)	(4 944)	1 033

Source: 2011/12 Draft Annual Budget (SA30 Budgeted Monthly Cash flows)

Property Rates

Property rates of R41.09 million reported on the 2012/13 cash flow statement amounts to 96.94 per cent compared to Property rates of R42.39 million as per the operating statement. The municipality is assuming an under collection on property rates, compared to the AFS 2010/11 of 65.89 per cent. The 100 per cent therefore appears to be unrealistic.

Service Charges – Electricity

Service Charges – Electricity of R152.07 million reported on the 2012/13 cash flow statement amounts to 99.56 per cent compared to Service Charges – Electricity reported on the operating statement, assuming an under-collection of 0.44 per cent, compared to the AFS 2010/11 of 79.22 per cent. The variance of 0.44 per cent appears over ambitious when compared to the growth in unemployment and other economic factors.

Service Charges – Water

Service Charges – Water of R24.88 million reported on the 2012/13 cash flow statement over the Service Charges – Water reported on the operating statement amounted to 85.37 per cent. The municipality is assuming an under collection on service chargers for water of 14.36per cent, compared to the AFS 2010/11 of 76.85 per cent. The 85.37 per cent therefore appears to be unrealistic.

Service Charges – Sanitation

Service Charges – Sanitation of R11.09 million reported on the 2012/13 cash flow statement over the Service Charges – Sanitation reported on the operating statement amounted to 85.37 per cent. The municipality is assuming an under collection on service chargers for sanitation of 14.63 per cent, compared to the AFS 2010/11 of 34.61 per cent. The 85.37 per cent therefore appears to be unrealistic.

Service Charges – Refuse

Service Charges – Refuse of R11.54 million stated on the 2012/13 cash flow statement against the Service Charges – Refuse stated on the operating budget amounted to 83.21 per cent. The municipality is assuming an under collection on Refuse of 16.79 per cent, compared to the 2010/11 AFS of 21.62 per cent. The 83.21 per cent therefore appears to be unrealistic.

Rentals of facilities and equipment

Rental of facilities and equipment of R7.37 million stated on the 2012/13 cash flow statement against the Rental of facilities and equipment, stated on the operating budget amounts to 95 per cent. The municipality is assuming an under collection on Rental of facilities and equipment.

Interest Earned

Interest Earned of R1.96 million stated on the 2012/13 cash flow statement against the Interest earned, stated on the operating budget amounts to 100 per cent. The municipality is assuming no over/under collection on interest earned.

Interest earned outstanding debtors

Interest Earned – outstanding debtors of R4.14 million stated on the 2012/13 cash flow statement against the Interest earned, stated on the operating budget amounts to 100 per cent. The municipality is assuming no over/under collection on interest earned.

Transfer Receipts operational and capital

Reconciling the Government Transfers capital and operational of R119.60 million with the DoRA allocations of R124.98 million a difference of R5.38 million exists between the cash flow statement and DoRA.

Employee related cost

Employee related cost of R104.08 million stated on the 2012/13 cash flow statement against the Employee related cost reported on the operating statement amounts to 100 per cent. The municipality is assuming no over/under payment on Employee related cost.

Remuneration of councillors

Councillors remuneration of R7.09 million stated on the 2012/13 cash flow budget compared to the remuneration of councillors, on the operating budget amount to 100 per cent. The municipality is assuming no over/under payment on councillor remuneration.

Interest Paid

Interest paid of R17.48 million stated on the 2012/13 cash flow statement against the Interest paid stated on the operating budget amounts to 100 per cent. The municipality is assuming no over/under payment on councillor remuneration.

Bulk Purchases

The bulk purchases in electricity are increasing over the medium term. Comparing the bulk purchases - electricity, water and sewer of R118.26 million stated on the 2012/13 cash flow budget against the budgeted bulk electricity, water and sewer of R118.26 million as per the operating budget, no difference exists. The bulk purchases cash outflow is 100 per cent of the budgeted bulk purchases as per operating budget. During 2013/14 and 2014/15 the cash inflow from bulk electricity, water and sewer is 100 per cent. The cash flow budget is assumed to be realistic.

Contracted Services

Contracted Services of R9.28 million stated on the 2012/13 cash flow statement against the Contracted Services stated on the operating statement amounted to 100 per cent. The municipality is assuming no under-payment on contracted services.

General Expenses

General Expenses of R61.59 million stated on the 2012/13 cash flow statement against the General Expenses stated on the operating statement amounted to 100 per cent. The municipality is assuming an under- payment of 93.10 per cent.

Repayment on borrowing

The municipality is not making provision for repayments on borrowing on the SA30 schedule however making provision for repayments on borrowing on the A7 schedule.

Summary of cash flow planning findings:

The overall cash flow planning of the Municipality does not lean towards a credible and sustainable budget. The key non-reconciliation issues in Table A7 and SA30 in relation to the credibility assessment and the items mentioned on sustainability must be reviewed and corrected in the compilation of the final budget where it is justified.

Investments

Table 32: Investments: 2012/13 MTREF

WC022 Witzenberg - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Parent municipality										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank		32 543	38 819	27 781	27 406	27 406	27 406			
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Municipal Bonds										
Municipality sub-total	1	32 543	38 819	27 781	27 406	27 406	27 406	–	–	–
Entities										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank										
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Entities sub-total		–	–	–	–	–	–	–	–	–
Consolidated total:		32 543	38 819	27 781	27 406	27 406	27 406	–	–	–

Source: SA15 (Investment particulars by type)

Analysing the investment closing balances over the medium term it is noted that the municipality is not budgeting for any investments over the medium term. However investments more than 90 days are declared on the A8. The municipality is advised to populate SA15 with the relevant amounts.

Table 33: Application of Cash & Investments: 2012/13 MTREF

WC022 Witzenberg - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Cash and investments available											
Cash/cash equivalents at the year end	1	32 573	43 503	(34 691)	27 965	21 307	21 307	21 307	7 002	(3 973)	(2 582)
Other current investments > 90 days		0	(0)	64 904		7 644	7 644	7 644	47 779	47 779	47 779
Non current assets - Investments	1	–	23	23	23	23	23	23			
Cash and investments available:		32 573	43 525	30 236	27 988	28 974	28 974	28 974	54 781	43 806	45 197
Application of cash and investments											
Unspent conditional transfers		14 631	25 476	20 007	18 462	7 039	7 039	7 039	18 462	17 052	17 481
Unspent borrowing		–	–	–	–	–	–		–	–	–
Statutory requirements	2										
Other working capital requirements	3	(3 188)	(7 110)	(15 345)	(4 019)	2 460	(3 266)	(3 266)	(31 976)	(30 677)	(29 362)
Other provisions											
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		11 444	18 366	4 662	14 443	9 499	3 773	3 773	(13 514)	(13 625)	(11 881)
Surplus(shortfall)		21 129	25 159	25 574	13 545	19 475	25 201	25 201	68 294	57 431	57 077

Source: (A8 ResRecon)

Over the medium term the surplus after all commitments are taking into account shows a positive balance. This balance decreases over the medium term. It is evident that the municipality is not financially stable although all commitments are cash backed over the MTREF. This is an indication that the municipality is using reserves to finance applications and that the long term liquidity of the municipality is questionable.

Borrowing

Table 34: Debt Management

Description	07/08 Audited Outcome R'000	08/09 Audited Outcome R'000	% Growth	09/10 Audited Outcome R'000	% Growth	10/11 Audited Outcome R'000
RATIOS RELATED TO DEBT MANAGEMENT						
(A) Capital Charges	20 475	20 622	0.72%	20 269	-1.71%	19 307
(B) Total Actual Expenditure	185 462	226 163	21.95%	247 153	9.28%	266 029
% (A/B)	**11.04%**	**9.12%**	-17.41%	**8.20%**	-10.06%	**7.26%**
(A) Total Liabilities	113 539	150 922	32.93%	176 157	16.72%	178 712
(B) Total Assets	126 313	193 889	53.50%	231 745	19.52%	276 202
% (A/B)	**89.89%**	**77.84%**	-13.40%	**76.01%**	-2.35%	**64.70%**
(A) Current Assets (less inventory)	47 753	59 525	24.65%	74 330	24.87%	64 868
(B) Current Liabilities	55 695	47 025	-15.57%	72 097	53.32%	64 660
% (A/B)	**0.86**	**1.27**	47.63%	**1.03**	-18.55%	**1.00**

Source: Witzenberg AFS: Statement of financial position, Statement of financial performance, Appendix A and Cash Flow Statement

Capital charges as a percentage of Operating Expenditure

The acceptable norm for this ratio as per NT guidelines is 5 - 15 per cent. For the purpose of calculating this ratio, only interest + principal payable to long term borrowing and finance leases are considered. These costs are subject to fluctuations as the interest rates varies year on year.

The analysis indicates that there was a downward trend in 2007/08 to the 2010/11 financial year from 11.04 per cent to 7.26 per cent respectively. This indicates that capital charges have been decreasing as a percentage of total expenditure. The results further indicate that this ratio improved from 8.20 per cent in 2009/10 to 7.26 per cent in the 2010/11 financial year.

The ratio results are within the NT guideline of 5 - 15 per cent. This means that the Municipality is maintaining the capital charges within acceptable levels.

Total Liabilities as a percentage of Total Assets

The acceptable norm as per NT guidelines for this ratio is that liabilities should not exceed 50 per cent of assets.

The analysis indicates that the ratio is improving year on year. The ratio has improved from 76.01 per cent in 2009/10 to 64.70 per cent in the 2010/11 financial year. Although the ratio is improving year on year, it is still outside the NT guidelines of 50 per cent.

The improvement can be attributed to Total Liabilities which increased by 1.45 per cent (R2.56 million) while Total Assets increased significantly by 19.18 per cent (R44.46 million) in the 2010/11 financial year.

The major contributing factors towards the increase in total assets in 2010/11 financial year were:

- Property, Plant and Equipment: Increased from R150.17 million to R203.33 million.
- Unpaid Conditional Government Grants and Receipts: Increased from R0.27 million to R6.18 million.

The net asset position at 64.70 per cent is not within the acceptable NT guideline of 50 per cent. The total liabilities needs to be monitored closely to ensure that the Municipality remains viable and is sustainable in the future.

Acid Test: Current assets (less inventory) to Current Liabilities

The acceptable norm for this ratio is that the ratio of current assets (less inventory) to current liabilities should be 1:1.

The analysis indicates that the ratio slightly deteriorated over the past three years from 1.27:1 in 2008/09 to 1:1 in 2010/11 financial years. This is mainly due to current assets (less inventory) decreasing at a higher rate by 12.73 per cent while current liabilities decreased by 10.32 per cent in the 2010/11 financial year. The ratio is equals the acceptable norm of 1:1.

The main contributing factor towards the deteriorated ratio in the 2010/11 financial year was:

- Cash and Cash Equivalents: Decreased by 50 per cent from R43.50 million to R21.87 million.

The acid test ratio of 1:1 indicates that the Municipality is able to meet its short term obligations using its short term liquid assets. However, the Municipality should exercise caution as if the decreasing trend continues; it will not be able to meet its short term obligations.

Table 35: Borrowing: 2012/13 MTREF

WC022 Witzenberg - Supporting Table SA17 Borrowing										
Borrowing - Categorised by type	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Parent municipality										
Long-Term Loans (annuity/reducing balance)		59 426	52 318	47 333	36 959	36 959				
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Municipality sub-total	1	59 426	52 318	47 333	36 959	36 959	–	–	–	–

Source: SA-17 (Borrowing)

The borrowing balances have not been completed over the medium term 2012/13 to 2014/15. The Municipality is budgeting for repayment on external borrowing in each year over the MTREF. The municipality is advised to complete Schedule SA17 with current outstanding borrowings and to take into account the budgeted borrowing repayment over the MTREF.

6.9 Funding Compliance Assessment

Table 36: Supporting Table SA10 Funding Measurement

Description	MFMA section	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	32 573	43 503	(34 691)	27 965	21 307	21 307	21 307	7 002	(3 973)	(2 582)
Cash + investments at the yr end less applications - R'000	18(1)b	2	21 129	25 159	25 574	13 545	19 476	25 202	25 202	68 294	57 430	57 077
Cash year end/monthly employee/supplier payments	18(1)b	3	2.4	2.7	(1.9)	1.4	1.1	1.0	1.0	0.3	(0.1)	(0.1)
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	19 243	16 674	41 727	57 506	58 751	(38 846)	(38 846)	45 984	28 891	17 332
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	14.6%	7.6%	12.1%	(7.6%)	(22.6%)	(6.0%)	10.2%	8.2%	7.9%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	93.4%	102.9%	92.0%	94.5%	94.4%	113.2%	113.2%	94.8%	95.2%	95.7%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	7.8%	11.8%	6.7%	4.3%	4.4%	16.2%	16.2%	4.0%	3.7%	3.5%
Capital payments % of capital expenditure	18(1)c;19	8	0.0%	0.0%	0.0%	100.0%	97.7%	97.7%	97.7%	125.9%	137.3%	131.8%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	16.1%	(19.2%)	35.1%	(10.3%)	0.0%	0.0%	108.7%	(0.3%)	0.3%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	(45.2%)	76.3%	0.0%	0.0%	0.0%	0.0%	(1.7%)	(1.7%)
R&M % of Property Plant & Equipment	20(1)(vi)	13	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Asset renewal % of capital budget	20(1)(vi)	14	0.0%	0.0%	0.0%	5.3%	21.3%	21.3%	0.0%	18.8%	32.8%	57.6%

Cash/cash equivalent position acceptable

Positive cash position for the 2012/13 financial year and a negative cash/cash equivalents over the remaining term of the MTREF 2013/14 to 2014/15 indicating liquidity problems for the municipality.

Cash plus investments less application of funds

The cash less application is positive in each financial year for the medium term 2012/13 to 2014/15 and proves to be cash backed.

Cash year end/monthly employees/suppliers payments (cash coverage)

The cash at year end versus employees and supplier payment is 0.3 times and decreases to negative 0.1 times for the 2013/14 and 2014/15 financial year. This indicates a risk and an indication that the municipality may not have the ability to meet its monthly obligations to pay employees and suppliers over the MTREF.

Surplus/deficit excluding deprecation offsets

The Municipality has budgeted for a surplus of R45.98 million for 2012/13 which decreases significantly over the MTREF. This is an indication that the cash reserves of the Municipality are being depleted after all commitments and grant funding has been taken into account.

Consideration should be given to the building up of its reserves in order to increase its operating surplus given that the Municipality is primarily reliant on grant funding. Furthermore, the Municipality should put a policy in place for its capital replacement reserve to ensure the renewal of assets as well as cash funds for repairs and maintenance for efficient service delivery. Spending should be limited to non-priority spending as well to maximise the VAT portion on conditional grants to build up cash reserves.

Cash receipts per cent of ratepayer and other revenue

The cash receipts as a percentage of ratepayers and other revenues is 94.80 per cent in 2012/13 and increases to 95.20 per cent during 2013/14 and to 95.70 per cent in 2014/15. This ratio indicates that the municipality can on average generate 95.23 per cent cash on all billed revenue over the medium term. This collection rate is questionable over the medium term taking into consideration previous collection rates. It should however be noted that debt management should receive priority to sustain and minimise the growth of outstanding debtors which negatively impacts on the collection rate when taken into account. This anticipation is slightly above the results yielded by the financial statements.

Debt impairment expense per cent of billable revenue

The Municipality shows the percentage of 4 per cent in the 2012/13 with 3.7 and 3.5 per cent in the outer years. In terms of the collection rates for the 2012/13 financial year, the Municipality anticipates to collect at 96 per cent which is realistic given that the Municipality is currently collecting above this percentage. The provision for bad debts of 4 per cent appears to be reasonable for the current financial year given the year on year decrease in debtors as well as the current and projected collection rate. The initiative of the Municipality to extend its indigent program could however have an impact on this measure.

Capital payments percentage of capital expenditure

The measure indicates how the capital budget is funded from the cash reserves as stated on Schedule A7 in terms of the cash funding. The overstatement on this ratio is as a result of the incorrect balance recorded for capital expenditure per vote on Schedule A5 which reflects an amount of R57.48 million. The matter has been raised in the capital section of this report and should be corrected with the final budget to reflect the correct capital budget balance.

Borrowing as a per cent of capital expenditure (less transfers, grants and contributions)

The accepted norm of borrowing is that capital expenditure funded by external borrowing should not be more than 100 per cent. The municipality is not engaging in external borrowings over the MTREF.

Transfers/grants revenue as a percentage of Government transfers/grants available

The Municipality have zero shown on this measure, as the respective supporting SA schedules were not completed. Supporting schedules to reflect the correct calculation of this measure for the final budget.

Consumer debtors change (Current and Non-current)

The measure noted for this item does not appear to be correct as it implies that the Municipality will increase its overall debtors book by 108.7 per cent. The prior year consumer debt balances for the 2011/12 financial year appears to be understated in addition to the respective provision for debt impairment that is reflected on supporting schedule SA3. The Municipality should revise the respective.

Asset renewal/rehabilitation expenditure level

This measure has a similar objective to the R&M measures, but focussing on the credibility of the levels of asset renewal plans. For 2012/13 financial year the ratio is 18.8 per cent and increases to 32.8 per cent and 57.6 per cent in outer years.

The measures for asset renewal and R&M are linked to the capital planning policy initiatives for the medium and long term that the Municipality should put in place in order to preserve the asset infrastructure. Spending on non-priority items in the operating budget should be limited as well as to utilise the VAT on grant funding in order to build up their cash reserves.

Property Rates/Service charge revenue per cent increase less macro inflation target

For the 2012/13 budget financial year the ratio show a positive of 10.2 per cent. The projected real growth in service charges amounts to 16.2 per cent excluding the maximum growth guideline of 6 per cent. This measure is above the macro inflation target, which raises a concern with regards to the tariff increases for the 2012/13 financial

year. In terms of the tariff analysis, the tariffs charge for property rates and Electricity is above recommended guideline impacts on this funding measure.

SECTION 7: SUMMARY OF KEY ISSUES AND RECOMMENDATIONS

Table 37: Key issues and Recommendations

Key Issues	**Recommendation**	Response
Lack of funding for LED initiatives.	The municipality is commended for its LED initiatives despite a lack of funding and it is recommended to continue with driving LED campaigns and sourcing funding from different sources.	The 2012/2013 year will be the planning phase when the LED board will consider projects. From 2013/2014 onwards the projects must be implemented. The Supply Chain process is used as far as possible to promote LED.
Lack of capacity within the LED office.	The municipality should address the issue of capacity as a matter of urgency.	Two LED officers are employed.
Completion of the SDF.	The Municipality to closely monitor progress with respect to the finalisation of the SDF.	Council will consider the SDF for approval once it is completed.
The water distribution losses remain a challenge for the Municipality.	The Municipality should put strategies in place to curb further the water losses as this leads to loss of potential revenue which could have been used for other operational activities.	A meter audit is in process to determine whether it is unaccounted consumption or distribution losses.
The low budgeted repayment on borrowing for the period under review poses a credit/default risk.	The municipality should note this position and ensure that the repayment on borrowing scheduled as half-yearly payments matches the budgeted repayments for the same period.	The actual cash flow statement indicates the following repayments of borrowing: September R 2 406 727 November R 266 270 December R 994 680 February R 88 391 March R 2 475 766 YTD R 6 231 834 (80%)
The budgeted amounts between the supporting SA schedules and A schedules are not reconciling and that the credibility of the cash flow budget is questionable.	The municipality must review and correct this where it is justified.	The revised table SA30 is included in the information packs distributed.
The tariff increases for property rates and Electricity is above the recommended guideline.	The Municipality to review the tariff increases in the proposed budget for property rates and refuse removal**.**	Income from Property rates is only 10.7% of total income. Income from Service charges is 52.7% of total income. The increase in property rates is therefore higher than the inflation target, while the increase in service charges are below the inflation target, in an attempt to reduce the

Key Issues	Recommendation	Response
		cross subsidization from service charges to property rates. If the consumption statistics are applied to the tariffs mentioned the expected increase in the consumer accounts is 12.5% and 7.5% respectively. The electricity tariffs will be amended over the medium term in an effort to align it with Eskom tariffs.
The Municipality will experience a loss on waste management of R5.1 million for the 2012/13 financial year.	The municipality to provide details about the loss on waste management as there were no details have been included in the budget documentation.	The cost of the removal of Garden refuse is included in the total waste management cost. These costs are partially subsidised from the rates account.
The numbers of days the debtors are outstanding remains a concern as it translates to about 5 months of the time the debtors take before their payments are received.	The Municipality may have to develop innovative initiatives in order to collect the outstanding debt as well as compliance to their respective credit control policies in order to meet the NT suggested norm of 30 days.	
A numbers of items which relate to the operating expenditure budget have not been completed as required under Schedule SA1.	The Municipality should ensure that the respective schedules, which note the operating items, are fully completed with the final Budget. Furthermore, the Municipality should review their budget assumption concern repairs and maintenance where no provision was made for the 2012/13 MTREF. The income from the VAT on conditional grant should be utilised to boost their internal revenue streams.	The updated Schedule SA1 is included in the hand-out.

Key Issues	Recommendation	Response
Given the prior year trends, the Municipality may possibly underspend on its capital budget with particular emphasis on the water and waste water management items where the budget allocation for 2012/13 in terms of trading services has been focused. The Municipality may have projects that will have to be rolled over for the second time in the 2012/13 financial year.	Adequate planning of projects and also consider time lags of supply chain activities well before the start of the financial year. The Municipality to plan the capital project to be appropriated.	MIG 70% of allocation or 120% of amounts received spend. As at 31 March 2012. The following additional funding were included in the adjustment budget of January 2012: R 6.3 million allocated by DWAF-ACIP; Department of Human Settlements R 2 million; Department of Rural Development R 4 million; Department of Local Government, Environmental Affairs And Development Planning R 2 million
The capital funding source is decreasing over the MTREF due to the decrease of the national and provincial government funding. Given that a number of projects are planned for the 2012/13 financial year as indicated in the capital budget, it raises the question of whether all would be completed at the end of the financial year.	As projects are primarily reliant on external grant funding, the Municipality is advised to put in place policy measures that would address long term capital planning. They should essentially identify capital projects for single year as well as those that are for multi-year and ensure the respective planning in terms of demand management and the related SCM procedures talks to each other. Furthermore, the Municipality should effectively reserve cash funding for asset renewal as well as repairs and maintenance by limiting non-essential spending as well as the utilisation of the VAT grant funding as a source of income towards the overall reserves towards the CRR**.**	The following cost saving possibilities are being investigated: a) The possibility that DWAF take over the Koekedouw dam loan; b) Possible PPP for the management of resorts; c) Future funding from Province for Library services. The following possible sources of revenue are anticipated: a) Sale of land; b) Ceres golf estate - 70 high income houses
The overall cash flow planning of the Municipality does not lean towards a credible and sustainable budget.	The key non-reconciliation issues in Table A7 and SA30 in relation to the credibility assessment and the items mentioned on sustainability must be reviewed and corrected in the compilation of the final budget where it is justified. The cash flow position to be monitored and managed strictly.	The revised table SA30 is included in the information packs distributed.

RESIDENTIAL: TWO PART: SINGLE PHASE

	BASIC R	TARIFF c/kWh	TARIFF c/kWh	TARIFF c/kWh	TARIFF c/kWh	TARIFF c/kWh	AVER c/kWh
NORMAL		1 – 50	51 – 350	351 – 600	601 - 800	>800	
2011/2012	320.57	0.34	0.39	0.54	0.66	0.94	0.72
INDIGENT		1 – 50	51 – 350	351 – 600	601 - 800	>800	
2011/2012	320.57	0.00	0.39	0.54	0.66	0.94	
NERSA		1 – 50	51 – 350	351 – 600	601 - 800	>800	
2012/2013	0.00	0.61 - 0.66	0.72 - 0.82	1.04 - 1.09	1.24 - 1.29	1.24 - 1.29	
PROPOSED 2012/2013							
NORMAL		1 – 50	51 – 350	351 – 600	601 - 800	>800	
2012/2013	321.00	0.43	0.49	0.71	0.78	0.91	0.81
INDIGENT		1 – 50	51 – 350	351 – 600	601 - 800	>800	% INCR
2012/2013	321.00	0.00	0.49	0.71	0.78	0.91	12.51%

COMERCIAL: SINGLE PHASE

	NORMAL 2011/2012	NERSA 2012/2013	PROPOSED 2012/2013		AVER c/kWh	% INCR
20 Amp	158.55		208.32		NORMAL	
40 Amp	317.01		381.92		2011/2012	
60 Amp	423.27		494.76		1.23	
80 Amp	448.20		512.12			
100 Amp	512.07		724.07		PROPOSED	
150 Amp	597.07	1.30	783.42		2012/2013	
200 Amp	672.82		896.58		1.33	7.55%
250 Amp	739.33		984.48			
TARIFF c/kWh						
	0.95		0.98			